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WORLD NEWS

Bush urges full review of Nato strategy

PRESIDENT George Bush, proposing a significant change in the number and role of conventional forces, said a minimum level of US nuclear forces should be retained in Europe as a deterrent.

Following his abandonment on Thursday of the updating of short-range nuclear missiles in Europe, the President called for a full review of Nato strategy. He said that if the Soviet withdrawal from Eastern Europe continues, Nato should plan for "a different kind of military presence."

Bomb attack thwarted

An attempted bombing of a British military barracks in Hanover was foiled on Thursday night when three men were disturbed by a guard but escaped after firing shots. Hanover police said two bombs, weighing 20kg and 25kg, were discovered at the Langenhagen base. An army spokesman said the bombers' likely target had been an accommodation block.

S African priest killed

A 60-year-old priest was killed in a gun attack in South Africa's Natal Province. Rev Victor Africander, chairman of the Pietermaritzburg Council of Churches, a multi-denominational group affiliated to the United Democratic Front, was shot near the provincial capital.

Iran looks to the West

Iran and its supporters in Lebanon want the West to push for the release of Moslems held by Israel before any further hostages are freed. Page 2

Brooke gives assurance

Northern Ireland Secretary Peter Brooke said last night he was prepared to examine any proposal to replace the Anglo-Irish Agreement which may be put forward by James Molyneux and the Rev Ian Paisley. The assurance came in a letter to the two Unionist leaders. The Unionists had told him they could have no further discussions on the province's political future until he made that declaration.

Violence at HK camp

One thousand Hong Kong police officers firing tear gas raided the Whitehead detention camp for Vietnamese boat people and arrested 180 inmates. Several hundred detainees erected barricades and two police officers were injured in attacks.

EC to ease visa rules

The European Community is expected on Monday to agree to lift visa requirements for East German citizens in recognition of that country's impending incorporation into the Community. Page 3

Chamorro meets rebels

Nicaraguan President Violeta Chamorro met Contra leaders to negotiate security guarantees the rebels say they need before laying down their arms. The Contras were to begin handing over their weapons to UN forces on April 25.

Statue to stay in UK

Nicholas Ridley, the Trade and Industry Secretary, announced that he has refused to grant an export licence for the classical statue The Three Graces. Page 22

Anglo-French agreement

Britain and France are to step up their military and security co-operation, including nuclear defence, the heads of government announced after a summit meeting. Page 2

Mexican train crashes

At least 40 passengers were killed and more than 80 injured when a train was derailed near Oaxaca in southern Mexico late on Thursday night.

No FT on Monday

The Financial Times will not be published this Monday, May 7, the May Bank Holiday.

BUSINESS SUMMARY

German union wins 35-hour week for 4m

I G Metall, West German engineering union, has won a 35-hour week for 4m workers in the metal and electrical industries after more than a decade of campaigning and set a target for union negotiators throughout the industrialised world. Page 22

SIB COLLAPSE: The Isle of Man Government has agreed to the publication of two secret reports into the 1982 collapse of the Savings and Investment Bank with £42m belonging to more than 3,000 depositors. Page 22

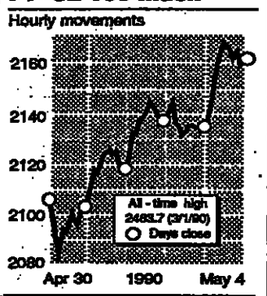
SAATCHI & SAATCHI chief executive Robert Louis-Dreyfus dismissed two directors who had held out against his plans to restructure the communications group. Page 22

OIL PRICES: Saudi Arabia's oil minister Hisham Nazer issued instructions for an immediate cut in Saudi oil production in an attempt to reassure the markets. Page 2

FT-SE 100 SHARE INDEX: UK stocks gave a favourable reception to the local council results. Privatisation stocks were in good form as the market upgraded its views on the Government's re-election prospects. The index closed up 27.3 at 2,162.2. London stocks, Page 12; Lex, Page 22

FT-SE 100 Index

Hourly movements



PETROFINA: Albert Frère, one of Belgium's most powerful businessmen, has fulfilled his ambition of being nominated chairman of the oil giant. Page 10

US UNEMPLOYMENT rose by 0.2 per cent in April and total payroll employment would have fallen but for the hiring of 80,000 workers to help with the US census. On Wall Street, bonds jumped a full point on the news, as fears of a tighter monetary policy were banished. Page 2

STEEL PRODUCTION in the industrialised world continued to decline in the first quarter, said the OECD. The drop was due to a fall in consumption, which is likely to shrink by between 2 per cent and 3 per cent this year. Page 3

KLOECKNER-WERKE, West German steel and engineering group, plans to raise DM540m (£195m) through a one-for-two rights issue to bring its capital up to the level of other companies in its sectors. Page 10

UK NEW CAR SALES dropped by 12.7 per cent in April and commercial vehicle sales plunged by 20.2 per cent in the steepest monthly falls of the current recession in the new vehicle markets. Page 3

LONDON Underground: A 9.3 per cent pay offer was rejected by the National Union of Railwaymen, kindling fears of a repeat of last summer's transport strikes. Page 5

DREXEL Burnham Lambert, US investment firm forced into liquidation by $650m in penalties arising from its junk bond operations, said it was under investigation by the New York Stock Exchange which was considering levying a fine. Page 2

WILLIAM COOK: The Sheffield steel castings group's acquisition of Lloyds (Burton) from Triplex Lloyd, the industrial engineering holding company, has been referred to the Monopolies Commission for investigation. Page 8

Latvian parliament declares independence

LATVIA yesterday declared itself "an independent democratic republic," dashing President Mikhail Gorbachev's hopes that his tough stance on Lithuania would persuade the other two Baltic republics to slow their plans to break away, writes John Parker in Moscow

A vote of 138 to nil in the Latvian Supreme Soviet placed the republic alongside Lithuania and Estonia in declaring independence, demanding recognition from Moscow and rejecting Mr Gorbachev's proferred secession law.

The Latvian President, Mr Anatoly Gorbunovs, warned that the road to independence would be hard and that Latvia should not count on outside support. "We must show the world we are not endangering east-west dialogue," he told a press conference.

Mr Gorbunovs also announced plans to turn Latvia into a social democratic state akin to Sweden. The Latvians now have to wait for Mr Gorbachev to respond to their assertion of independence.

Adding to the pressures on the Soviet President is widespread anti-military sentiment across the country, and particularly in Latvia, which yesterday forced his Government to suspend conscription for a month.

Deputies from the pro-Moscow Communist Party walked out of the Latvian parliamentary debate en bloc yesterday before the vote was taken. The Popular Front of Latvia, which had won 131 seats at the recent local elections, nevertheless gained the support of seven independent deputies, mainly from the farmers' agrarian union, to achieve the necessary two-thirds majority by just five votes.

The parliament voted to reinstate four basic provisions of the pre-Soviet constitution of 1922. However, in an attempt not to alienate Moscow, with which it had been conducting separate negotiations on increasing its powers within the union, it said that all Soviet laws and parts of the criminal code that do not conflict with its restored constitution would remain in force.

Soviet army morale, Page 2

Tory election performance strengthens PM's position

By Our Political Staff

MRS Margaret Thatcher voiced her determination yesterday not to retreat from the controversial poll tax, as the Conservatives' performance in the local elections dispelled some of the speculation surrounding her grip on the party leadership.

The final results confirmed that Mr Neil Kinnock's remodelled Labour Party had recorded sweeping gains, winning about 300 seats and control of 11 councils.

He predicted that the party was on course to win the general election, due by mid-1992, "with a very handsome majority."

Mrs Thatcher, however, celebrated successes in the London boroughs of Wandsworth and Westminster, which had defied predictions that the Conservatives could be swept away by the unpopularity of the poll tax even in their flagship authorities.

UK financial markets were greatly relieved by the results, and rallied strongly. Traders had been led to expect much worse figures by opinion polls over the course of this week.

The pound ended the day over 1½ cents stronger against the dollar, and more than a pfenning stronger against the D-Mark.

The gilts market, which has been in a downturn for most of the year, closed two points higher.

The Prime Minister said that the results in Wandsworth and Westminster – alongside Labour's unexpectedly poor performance in other parts of the capital – had vindicated the basic principles behind the community charge.

Speaking after talks at Waddesdon Manor, Buckinghamshire, with Mr François Mitterrand, the French President, she added that the Government was now set to recover from the mid-term slump in its unpopularity.

She expected to be Prime Minister when the two countries' leaders opened the Channel tunnel in 1993.

As party strategists dissected the implications of the results, senior figures on both sides were admitting privately that they appeared to have left wide open the contest for the next general election.

Mr Paddy Ashdown, the Liberal Democrats leader, could also claim that a better-than-expected showing by his party had left it as the only real third force.

Labour estimates that the results will leave them with about double the number of

Continued on Page 22
Election aftermath, Page 4; Not everyone is ready for Labour, Page 6; Money Markets, Page 11; London Stocks, Page 12

Mrs Thatcher yesterday: Results showed community charge was beginning to work

ANC may end armed struggle

By Patti Waldmeir in Cape Town

THE AFRICAN National Congress (ANC) has agreed to consider suspending its armed struggle against the South African government, following three days of historic talks in Cape Town, hailed yesterday as a success by both sides.

The ANC's decision appears to be part of a package negotiated with Pretoria during the first formal meeting between the two sides since the ANC was formed in 1912.

The deal also includes agreement in principle on a number of ANC demands and should pave the way for talks on a new constitutional system to replace apartheid.

Addressing a joint press conference last night, Mr F W de Klerk, the South African President, and Mr Nelson Mandela, deputy president of the ANC, stressed the cordiality of the meeting. Joking easily with one another, they agreed it was an "important breakthrough." Mr Mandela said it was "the realisation of a dream."

In a joint communiqué, they pledged their "common commitment towards the resolution of the existing climate of violence and intimidation from whatever quarter, as well as a commitment to stability and to a peaceful process of negotiations."

Mr Mandela later said that the ANC would "honour every word" of the agreement. "We are going to look very hard and earnestly into the whole question of armed struggle and take appropriate decisions," he said.

When journalists pressed Mr Mandela on this, Mr de Klerk intervened, saying irritably "he's already dealt with that."

Although the ANC military wing, Umkhonto we Sizwe (Spear of the Nation) has carried out few successful operations recently, the ANC's rhetoric of armed resistance is widely blamed for exacerbating violence in black townships. Some 500 people have been killed in such violence in the three months since the ANC was legalised on 2 February.

Yesterday's communiqué paves the way for progress on issues such as the release of remaining political prisoners, the return of ANC exiles, the lifting of the four-year state of emergency and repeal of other security legislation. A working group is to be set up to make recommendations on a definition of political offences, and to consider the release of political prisoners.

Weekend FT

Maps takes over as the London dwellers' guide to plain dialling

By Michael Skapinker

BEATTIE, mother of Melvyn and star of many more British Telecom commercials than her snooty friend Dolly, last night threw a switch heralding the start of a 27-hour light and firework display aimed at reminding Londoners and the world that when they wake up on Sunday morning the 01 code will be no more.

By midday on Sunday, Beattie, BT and and many others may be throwing a fit. This is because, as many as 50,000 people a minute are expected to dial wrong numbers in spite of a year-long, £10m publicity campaign advertising the change.

At a minute past midnight tonight, London's 01 dialling code will disappear, to be replaced by either 071 or 081. If you do not know that by now, BT managers implied yesterday, there is not much that they, Beattie, or the world's advertising industry can do for you.

Every subscriber in the UK has been sent a letter about the change. Every telephone customer in London has been told what their new code will be.

Leaflets showing the new codes have been handed out on the London Underground. Pamphlets have been printed in English, five languages of the Indian sub-continent and Mandarin. Every pensioner in the country has been given, along with his or her pension cheque, a BT leaflet in large type.

The British public has been bombarded with dubious billboard puns like "Don't let the 6 May creep up on you all of a Sutton."

Beattie, played in its television commercials by actress Maureen Lipman, has appeared on the small screen insisting that her new 081 code means she now lives in *Greater* London, not *outer* London. Dolly's 071 code means she is inner city.

However BT divided up the capital, someone would have been affronted. The company could have relied on the geographical division that Londoners already regard as more significant than any other – north or south of the river.

That would not have taken account, however, of future expected growth in telephone demand. It is in the centre of London and docklands, the 071 area, that new numbers are needed.

Anyone dialling the wrong code on Sunday will hear a recorded message telling them the correct one. BT decided they should allow for 50,000 of these a minute after studying the experience of New York when it changed codes.

The foreign press have been marvellous, BT said. True to national stereotype, methodical Swiss and German newspapers printed the entire table of new codes.

British companies need to reprogramme automatic telephone and facsimile functions. True, too, to national stereotype, some have left it to the last minute. Incidentally, the telephone number of the Financial Times will change to 071 873 3000.

MARKETS

STERLING
New York lunchtime:
$1.659
London:
$1.66 (1.643)
DM2.775 (2.7625)
FFr9.3125 (9.2675)
SFr2.3975 (2.39)
Y262.75 (259.75)
£ index 87.6 (87.0)

GOLD
New York: Comex Jun
$373.1
London:
$370.25 (370.5)

N SEA OIL (Argus)
Brent 15-day Jun
$16.475 (16.75)

Chief price changes yesterday: Page 22

DOLLAR
New York lunchtime
DM1.6717
FFr5.6105
SFr1.444
Y158.21
London:
DM1.6715 (1.682)
FFr5.61 (5.641)
SFr1.4445 (1.4545)
Y158.35 (158.10)
$ index 68.0 (68.3)
Tokyo market closed

US LUNCHTIME RATES
Fed Funds 8 3/16 %
3-mo Treasury Bills:
yield: 8.002%
Long Bond:
96 13/32
yield: 8.908%

STOCK INDICES
FT-SE 100:
2,162.2 (+27.3)
FT Ordinary:
1,898.8 (+20.2)
FT-A All-Share:
1,067.95 (+1.1%)
New York
DJ Ind. Av.
2,693.02 (−3.15)
S&P Comp
336.19 (+0.62)
Tokyo market closed

LONDON MONEY
3-month interbank:
closing 15 5/16 % (15 9/32)
Liffe long gilt future:
June 80 11/32 (78 25/32)

SELLING PRICE IN IRELAND 80p, IN MALTA 40c

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Austria Sch24; Bahrain Din0.700; Bermuda $1.50; Belgium BFr60; Canada C$1.60; Cyprus C£0.90; Denmark DKr12.00; Egypt E£3.35; Finland Fm8.50; France FFr7.50; Germany DM2.60; Greece Dr150; Hong Kong HK$32; Hungary Ft107; Iceland IKR160; India Rup15; Indonesia Rp3,100; Ireland IR0.80; Israel NIS3.50; Italy L2000; Japan Y600; Jordan JDin1.000; Kuwait Fils.500; Lebanon £L400; Luxembourg LFr65; Malaysia Rm4.25; Malta 40c; Mexico Pes3000; Morocco Dh5.00; Netherlands Fl3.25; Norway Nkr12.00; Portugal Esc150; S.Arabia Rls7.00; Singapore S$4.10; Spain Pts165; Sri Lanka Rup30; Sweden SKr12.00; Switzerland SFr2.60; Taiwan NT$65; Thailand Bht50; Tunisia Din0.800; Turkey L1400; UAE Dh7.00; USA $1.00

OVERSEAS NEWS

US employment figures show economy weakening

By Anthony Harris in Washington

US unemployment rose by 0.2 per cent in April, and total payroll employment would have fallen but for the hiring of 80,000 workers to help with the US census. These signs of weakness completely contradicted the bullish impression left by recent order figures and industrial surveys, and on Wall Street bonds jumped a full point on the news, as fears of a tighter monetary policy were banished.

The markets pay the closest attention to the figures for payroll employment, which has been growing by over 200,000 a month, and forecast an increase of nearly 400,000 for last month. Inflation fears were further soothed by the news that weekly earnings rose only 0.3 per cent.

Market commentators pointed out that the apparent strength of some other recent figures may have been deceptive: both orders and purchasing manager sentiment were recovering from sharp falls earlier in the year, but remain at quite a subdued level.

Official comments confirmed that the dynamism appears to have gone out of the US recovery, though the situation is not expected to get any worse.

Labor Statistics Commissioner Janet Norwood said: "Taken together, the data for the past two months appear to paint a very weak employment picture, in which the number of jobs may have seemed to have plateaued. This weakness, however, follows especially strong growth in January and February because of the unusually good weather during those months. That large growth early in the year probably overstated employment strength and may have contributed to the weaker data that we are now seeing."

Sectorally, the figures showed a continued shake-out in manufacturing, which has now shed 280,000 jobs in the last year, and a virtual standstill in private services, previously a strong growth sector. Construction shed 99,000 jobs, seasonally adjusted; but this was largely an illusion, reflecting the fact that the normal winter lay-offs were avoided this year, thanks to mild weather. The weakness of construction demand, reflected in housing permits and commercial development problems, has not yet appeared in the output or employment figures.

France and Britain to co-operate on defence

By Robert Mauthner, Diplomatic Correspondent

BRITAIN and France yesterday formally agreed to step up their military and security co-operation, including nuclear defence.

Mrs Margaret Thatcher, the British Prime Minister, and President François Mitterrand of France said after a bilateral summit meeting that they had instructed their foreign and defence ministers to work out "an enhanced programme of co-operation" on defence matters.

"We have decided to co-ordinate our co-operation on all matters that relate to security in Europe. Nothing is precluded," Mr Mitterrand said.

The talks in a former Rothschild country mansion at Waddesdon, a village in Buckinghamshire, were also attended by the British and French foreign and defence ministers.

Although the two leaders declined to go into details about future defence co-operation, a statement issued after the meeting said the brief given to their foreign and defence ministers covered equipment procurement, weapons and radar systems, exchanges of personnel, joint exercises and "certain nuclear programmes".

Both President Mitterrand and Mrs Thatcher endorsed yesterday's announcement by US President George Bush not to go ahead with the modernisation of short-range nuclear weapons in Europe.

President Mitterrand: "We just decided to change the subject."

Mr Mitterrand merely said that he had no difficulties with the decision. However, Mrs Thatcher, previously a strong supporter of modernisation, stressed that Mr Bush's decision would make it necessary to put more emphasis on air-launched weapons, such as free-fall nuclear bombs.

The British and French leaders failed to settle their fundamental differences over European political union, which were highlighted at the European Community's summit in Dublin last weekend, though they appeared to have gone a little way to bridging the gap between them.

Mrs Thatcher said they both agreed that the powers of the EC's Council of Ministers, as the Community's main decision-making body, should be enhanced. The French President, while not disagreeing with this assertion, indicated that there were nevertheless "very real" differences between them on other aspects of political union. However, since they had fully aired their opinions in Dublin last week, "we just decided to change the subject of conversation today," he said.

Both leaders reaffirmed their support for Soviet President Mikhail Gorbachev, particularly in his efforts to deal with his serious domestic problems. "President Gorbachev has brought about a complete transformation in East-West relations," Mrs Thatcher said. "He has recognised that the communist system was not working in the Soviet Union."

Mrs Thatcher and Mr Mitterrand also urged Moscow and Lithuania to settle their differences over Lithuania's declaration of independence by dialogue, while pointing out that neither Britain nor France had ever recognised the legality of the Soviet annexation of Lithuania in 1940.

Mrs Thatcher announced that she would meet Mrs Kazimiera Prunskiene, the Lithuanian Prime Minister, who has just had talks with President Bush, in London shortly.

IMF faces wait of up to two years for increase in resources

By Peter Norman, Economics Correspondent, in Washington

A LONG-AWAITED increase in resources for the International Monetary Fund (IMF) will take between 15 months and two years to become effective even if all outstanding problems are settled at the Spring meetings of the IMF and World Bank in Washington.

Ministers and central bank governors from the Group of Seven leading industrial countries meet tomorrow with a proposal high on their agenda to raise the IMF's quotas, or membership subscriptions, by about 50 per cent. Their conclusions will influence the Monday meeting of the IMF's policy-making Interim Committee, in which the Fund membership is due to decide the resources question.

Intensive discussions in the IMF's executive board have left the ministers with four broad questions to resolve. These are:

- the precise size of the quota increase;
- the pecking order of the Fund membership: Japan is due to move up to number two, while Britain and France are still at odds over whether they should occupy respectively the fourth and fifth positions in the IMF or joint fourth;
- the link between the quota rise and plans to reduce the $4bn of arrears owed by 11 poor IMF members to the Fund;
- the financing of the arrears package. The ministers will have to decide how much IMF gold should be used to back up a special pool of money to help countries in arrears and how much the industrialised and developing country members of the IMF should contribute to the pool in a burden-sharing exercise.

The IMF ranking is regarded as an issue for Britain and France to solve. It is US insistence on a link between the arrears plan and the quota increase which could delay final ratification of the increase of IMF resources by the members of the Fund.

The arrears plan has been promoted vigorously by the US to make the quota increase palatable to Congress. Besides the creation of a special resources to help countries in arrears put their economies in order, it envisages a change in the IMF rules that would permit the suspension of persistently delinquent member countries in arrears.

The change in the rules would require approval by 85 per cent of the IMF membership, a process that would normally take until late 1991 at the earliest.

Iran puts conditions on release of hostages

By Our Foreign Staff

THE IRANIAN Government reaffirmed yesterday that Iran and its supporters in Lebanon want the west to push for the release of Moslems held by Israel before any further hostages are freed in Beirut.

Mr Ali Akbar Velayati, the Iranian Foreign Minister, said: "Now it is the turn of the other side to show its goodwill." He was referring to the recent release of two US hostages by kidnappers linked to the pro-Iranian Hizbollah movement. "We are waiting for practical steps."

Speaking at the end of a two-day visit to Finland, Mr Velayati said Britain and the US in particular should use their influence for the release of "Lebanese and Palestinian and Iranian hostages."

Israel has hundreds of Palestinian and Shia Moslem Lebanese prisoners. Three Iranians were kidnapped by Christian militiamen in Lebanon in 1982.

"What the Lebanese have asked us to do is to ask the western countries to reciprocate what they have done. In that case, the Lebanese Moslems will be persuaded to try more to get the release of other hostages," Mr Velayati said.

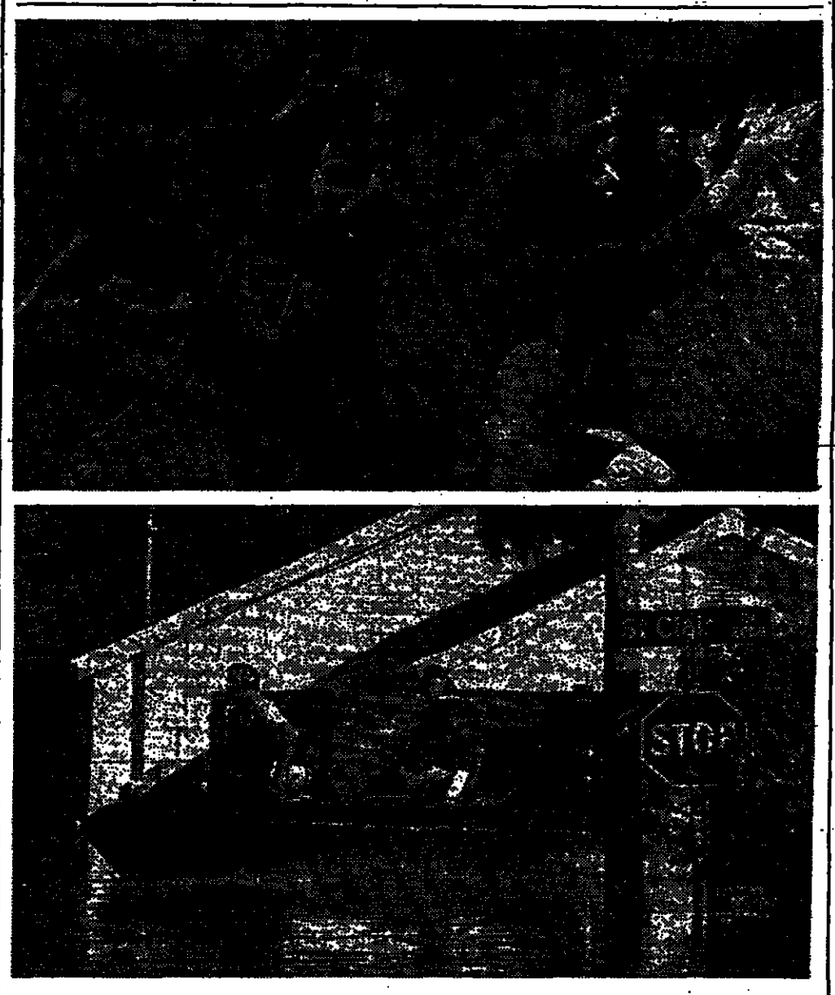
The US and Britain say they will not deal with kidnappers, while Israel is willing to negotiate if it can secure the return of its missing servicemen in Lebanon.

Mr Velayati said Iran was willing to hold talks with Britain if the British Government showed "respect for Islam and Moslems."

Mr Frank Reed, the American hostage freed on Monday, left West Germany for the US yesterday. Asked if the British Government should do more for its four hostages, he replied: "You bet they should be." A total of 15 westerners are still held hostage in Lebanon.

Our Belfast Correspondent adds: The sisters of Mr Brian Keenan, the kidnapped Belfast school teacher, are due in Washington today for talks with Mr Reed.

Mr Keenan's relatives want to enlist American support for the campaign to free Mr Keenan, who has dual Irish and British citizenship and is in his fifth year in captivity.



Americans cope with the weather: Top, people in Bismarck, North Dakota, pray for rain to end a two-year drought. Below, officials in a hovercraft search the flooded Rochester Park area of Dallas, Texas.

The Donald denies cash problems at the Taj

MR DONALD Trump, that quintessential symbol of the 1980s, was yesterday once again starring in the financial equivalent of America's favourite soap opera, Alan Friedman writes from New York.

The latest episode of *The Donald Trump Show* saw the embattled property developer and casino mogul denying that a cash crunch has caused him to delay $30m (£18.3m) of payments to contractors who built his recently opened Taj Mahal casino in Atlantic City.

"It's ridiculous," complained the man who is now known universally in America as The Donald. His reaction to the delayed payment allegations was to tell the press he was withholding payment ahead of an outside audit and because the delay was simply good business practice.

He has denied he had any problems, repeating that he wanted some cash because "Cash is king! Cash is king!"

The past few days have however proven increasingly rough in the US media. First, Forbes magazine notched The Donald's net worth down from $1.7bn to just $500m. And yesterday Business Week claimed that Mr Trump's organisation is not only saddled with $3bn of debts, but last year suffered a $60m negative cash flow from continuing operations that generated slightly more than $1bn of revenues.

To counter the charges, the flamboyant real estate mogul went on national television and denied everything.

NEWS IN BRIEF

Saudi Arabia to cut oil output by 430,000 bpd

Mr Hisham Nazer, the Saudi Arabian oil minister, yesterday issued instructions for an immediate Saudi cut in oil production in a bid to reassure the markets, writes David Thomas, Resources Editor in London.

The markets were unimpressed by the agreement on Thursday of the Organisation of Petroleum Exporting Countries to cut output by 1.445m barrels a day from April output levels of 23.5m b/d.

"I do not understand the negative reaction of the market," Mr Nazer said, adding that he had already given instructions for the Saudi share of the cut – 430,000 b/d.

However, the markets continued to show disappointment at the size of the cuts. Brent oil for June delivery was down 35 cents at $16.40 by early evening.

Open skies pact delayed

Nato and Warsaw Pact countries yesterday acknowledged that they would not meet their target of signing an "Open Skies" accord on mutual aerial surveillance next week, Reuter reports from Budapest.

The 23 countries of the two military alliances had hoped to have a treaty ready for signing by their foreign ministers on May 12 – one year after President George Bush had challenged the Soviet Union to open its airspace. The conference will now adjourn on May 10 without an agreement in place.

Mr John Noble, head of the Canadian delegation, said the treaty was being blocked by Soviet insistence that it extend to the military bases of signatories in non-signatory countries – to US bases in Japan, for example.

Hungary goes into recession

The Hungarian economy moved into sharp recession in the first quarter of 1990 as the effects of the collapse of exports to the Soviet Union began to be felt and the government's tight monetary policy continued to constrain investment, writes Nicholas Denton in Bucharest.

Industrial production of state-owned enterprises between January and March was 9.7 per cent down on a year earlier, according to Mr Henrik Aouth, Deputy Minister of Industry.

Turkish communists released

Two Turkish communist leaders were released yesterday after two-and-a-half years in detention awaiting trial, writes Jim Bodgener from Ankara. The surprise release comes at a time when the Government is considering modifying or lifting its legal ban on communist and religious parties.

Mr Haydar Kutlu and Mr Nihat Sargin were arrested on their return to Turkey to contest the 1987 general elections.

French output up 3.2%

France's seasonally adjusted index of industrial production fell 0.1 per cent in the fourth quarter of 1989 from the previous quarter but was 3.2 per cent up from a year earlier, according to the National Statistics Institute, AP-DJ reports from Paris.

The latest quarterly decline followed a revised 0.6 per cent advance in the third quarter.

The year-on-year growth rate of 3.2 per cent for the fourth quarter is below market estimates. These had suggested that industrial output was rising at a year-on-year rate of 4-6 per cent in recent months. The year-on-year growth rate for the third quarter was 4 per cent.

Canton military changes

China has made key changes to the command of the Canton Military Region which includes Guangdong, the province least submissive to Peking's post-Tiananmen hard-line policies, writes Colina Macdougall.

Zhang Wannian, the commander of the region, has been moved to the Jinan Military Region, to be replaced by Zhu Dunfa, commander of the Shenyang Military Region in China's northeast, according to the official left-wing Hong Kong paper, Ta Kung Pao. The Canton command has been further diluted by the import of officers from other regions.

Chen Yun, China's leading octogenarian hardline economist and mentor of Li Peng, the premier, is reported to be dying. In China's present state of political tension, a death among key elder statesmen could trigger further disturbances.

Split over ADB funds

The Asian Development Bank ended its 23rd annual meeting yesterday with the US States and other Western countries split over replenishing the bank's soft loan fund for the region's poorest countries, AP reports from New Delhi.

The bank has estimated that the fund will be exhausted by the middle of next year, although US delegates claim that there are sufficient funds to last for another two years.

Dresdner opens up in Warsaw

The Dresdner Bank yesterday became the first West German bank to open an office in Warsaw, writes Christopher Bobinski.

The Polish authorities have so far issued licences to eight Western banks. Four are from West Germany, two from France, one is Austrian and one Italian.

Secret report on Bofors

The Swedish Government yesterday said that it might pass to India classified parts of a report about charges that arms maker AB Bofors bribed Indian officials to secure a 1986 artillery contract, Reuter reports from Stockholm.

Drexel may face $25m NY exchange fine

By Roderick Oram in New York

DREXEL Burnham Lambert, the Wall Street investment firm forced into liquidation by $650m in penalties arising from its junk bond operations, said yesterday that the New York Stock Exchange was investigating it and considering levying a fine.

Some of the few remaining Drexel executives and former employees have been called before the exchange to give evidence about its operations. Sanctions could be applied against both the company and individuals, particularly its senior executives.

Drexel would not confirm reports that the exchange was considering a $25m fine, by far the largest ever imposed on a securities firm. By comparison, E.F.Hutton, now part of Shearson Lehman Hutton, was fined $400,000 in 1985 for a bogus cheque-writing scheme.

Responding angrily to suggestions that its compliance procedures were inadequate, Drexel said: "We understand the stock exchange's need to protect an image of being a strong self-regulator. However, that should be balanced with a sense of fairness in evaluating the company's and management's behaviour."

Draft-dodging highlights problem of Soviet army morale

By John Parker in Moscow and Quentin Peel in Brussels

THE Soviet Government yesterday took the unprecedented step of suspending the regular spring call-up to the army for a month.

The move is recognition of the fact that the authorities have been unable to stem widespread draft-dodging in a number of non-Russian republics.

According to yesterday's Komsomolskaya Pravda, the Communist youth newspaper, the army is "on the brink of a cauldron". The newspaper said the number of draft dodgers last year was six times higher than in 1988, and it added: "The conscription law has become totally obsolete."

All Soviet men over 18 are obliged to serve in the army for two years. But responsibility for implementing the conscription law lies with local authorities, many of whom are under the control of nationalists sympathetic to draft-dodgers. The Baltic republics and Georgia have passed laws allowing alternatives to conscription. The Armenian parliament voted this week to suspend the spring draft indefinitely.

Meanwhile, the first top-level Soviet reaction to reports of a possible coup attempt in late February against President Mikhail Gorbachev came yesterday from Mr Alexander Yakovlev, one of Mr Gorbachev's closest allies.

He said the reports that the army had tried to put pressure on Mr Gorbachev to slow down perestroika "had no basis... There were no army movements and no demands on Gorbachev. We have no grounds whatever to suspect the army of malicious plotting against the country's leadership."

Mr Gorbachev has made some significant gestures to bolster morale in the Red Army in recent weeks, suggesting real concern at reports of growing military disaffection with his reforms.

However, there is no sufficient evidence that military officers have gone so far as to plan a coup against his leadership.

Reports from a senior Nato observer that between 2,000 and 3,000 military cadets were mobilised in Moscow on February 25 – the day of a big pro-democracy demonstration – are both plausible and explicable.

In the days leading up to that event, the Soviet leadership whipped up an extraordinary campaign of fear in the capital that the demonstration might turn into a confrontation and popular uprising. A barrage of official propaganda sought to dissuade people from attending for fear of bloodshed, while special appeals by a church leader, and special popular television shows, were broadcast to keep sympathisers at home.

Moscow's side streets were full of troop reinforcements; from not only the Interior Ministry but also the Red Army, in apparent fear that the demonstration would get out of hand. The Interior Ministry troops policing the streets were in full riot gear, with helmets and shields.

The mobilisation of military cadets in their barracks around the city would have fitted that extraordinary over-reaction, as a measure taken just in case the demonstration got out of hand.

In the event, the demonstration by some 100,000 people at the most was entirely peaceful and even good-humoured, and the riot police swiftly disappeared.

Nonetheless, there is no doubt about military unhappiness, above all at the process of withdrawal of Soviet troops from eastern Europe. They are facing an almost total lack of decent accommodation back in the Soviet Union, on top of already poor wages and social facilities.

Mr Gorbachev has responded with some obvious concessions:

- he has promoted General Dmitri Yazov, the conservative Defence Minister, to the rank of Marshal;
- he has given the go-ahead for a full military parade next Wednesday to celebrate Victory Day, against all precedent;
- he has allowed the military to carry out blatant sabre-rattling manoeuvres in the Baltic republics, especially Lithuania, which have aggravated rather than calmed tension in the region.

However, he has studiously refused to allow any direct military intervention in Lithuania, in spite of the fact that Marshal Sergei Akhromeyev, his former Chief of the General Staff, was publicly advocating it.

Some western observers suspect that far from accommodating the military, his obvious token gestures might actually herald further measures to curb military power in the system.

TRADE UNIONISTS PLAN ORGANISATION OUTSIDE COMMUNIST PARTY CONTROL

Unofficial trade unionists from all over the Soviet Union have taken the first step to create a union outside the control of the Communist Party, John Parker writes.

The new organisation, called the Confederation of Labour, was set up at a three-day conference in Novokuznetsk, a city in western Siberia and one of the centres of last summer's coal-miners' strike.

Its aims were very broadly defined: to protect workers' rights "during the reform of society on the principles of democracy, humanism and social justice." But the meeting rejected the appeal of a leading Social Democratic politician, Mr Nikolai Trafkin, to set up a political party in opposition to the Communists.

During the past year, hundreds of disparate workers' clubs, strike committees and unofficial trade unions have sprung up all over the Soviet Union. Many workers have been refusing to pay their fees to the official trade unions and have allied themselves with local political groups against Communist Party bosses.

Over 300 of them from 40 regions of the country came to the conference, which ended on Thursday, to establish a unifying body. Unity, however, was barely achieved. Komsomolskaya Pravda said 33 delegates rejected the new organisation.

A representative from the workers' club of Chelyabinsk, a big industrial city in the Urals, clashed with members of the Leningrad union of workers' committees over the issue of whether to set up a political party. And the loose structure of the confederation, under which the sponsoring organisations remain independent financially and organisationally, reflected the lack of consensus.

One thing that united almost all the members, however, was criticism of the communist party. Only 20 per cent of delegates were party members. The chairman of the political club of Gorky won loud applause for saying "the Communist Party cannot be considered the party of the working class." Banners in the hall said "the very idea of communism must perish once and for all."

During last summer's miners strike, President Mikhail Gorbachev claimed that the miners were on the side of perestroika. Recently, the official trade unions, which have been bitterly criticised by the unofficial ones for failing to defend workers' interests, have emerged as opponents of radical economic reform.

Whether the new unofficial group will be more tolerant of economic reform is uncertain: there was little discussion of it at the meeting. Mr Lev Ryabev, the Deputy Prime Minister who attended the conference, put a brave face on it. "They weren't negative about everything," he said.

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OVERSEAS NEWS

Decline in world steel use leads to fall in output

By William Dawkins in Paris

STEEL production in the industrialised world continued to decline in the first quarter, according to figures from the Organisation for Economic Co-operation and Development.

The drop was because of a fall in consumption, which is likely to shrink by between 2 per cent and 3 per cent this year, the OECD said.

Falling prices and increasing costs are eating into steel producers' profits in some areas, although the pain is unevenly spread across the OECD's 24 member countries, with Japan and the European Community showing more resilience than the rest.

OECD members' overall output reached 94.7m tonnes in the first three months of the year, 2.5 per cent less than the 97.1m tonnes produced in the first quarter of 1989.

The US market continues to suffer from falling car sales, although its steel industry downturn has not yet become severe. US output fell from 23.4m tonnes to 22.2m tonnes between the first quarters of 1989 and this year.

Canadian steel demand is expected to drop by 10 per cent this year as a general weakening in the country's economy hastens a fall in steel orders from the construction and car industries.

The OECD forecasts that Scandinavian market conditions will also worsen, because of a decline in Finnish shipbuilding and construction and a general reduction in Swedish investment.

EC steel demand is relatively stable, with output down slightly at 22m tonnes in the first quarter, while Japanese output continued to rise, from 26.4m tonnes to 26.6m tonnes, reflecting increased private consumption and investment.

Karamanlis elected Greek president

By Kerin Hope in Athens

GREECE'S conservative elder statesman, Mr Constantine Karamanlis, 83, was elected president yesterday by parliament, winning 153 votes in the 300-member House.

Although the presidency is largely ceremonial, Mr Karamanlis' return to the post he occupied from 1980-85 is expected to give more stability to the new conservative Government, which has only a one-seat majority in parliament.

As prime minister, Mr Karamanlis was responsible for restoring democracy after the collapse of the 1967-74 military dictatorship regime and for taking Greece into the European Community in 1981.

He said that as president he would work "for the smooth operation of democratic institutions, the safeguarding of national unity and consolidation of a calm political life."

Mr Karamanlis, a forceful personality who has a strong following in the ruling New Democracy party, which he founded, is likely to play an active advisory role as head of state, despite his lack of executive authority.

The presidency was stripped of its powers when the former socialist government reformed the constitution five years ago, just before Mr Karamanlis' term was due to end. He resigned in protest and withdrew from public life.

However, he kept in close touch with prominent conservative politicians and issued occasional statements criticising the socialists' style of government.

Earlier this year, he refused to run as New Democracy's presidential candidate, but changed his mind after the party returned to power in last month's general election.

Echoes of the past in German unity talks

As the two-plus-four meetings begin, David Marsh finds parallels with the failed negotiations of the 40s and 50s

FOREIGN ministers of the two German states and the four former Second World War allies, discussing German unification in Bonn today, are rather like actors finally taking the stage 45 years after the first rehearsals.

The themes on today's agenda bear a strong resemblance to those which dominated a series of conferences on Germany between the US, the Soviet Union, Britain and France in the late 1940s and 1950s.

The difference is that, with the Cold War over, today's talks are likely to go down in history as the first four-power meeting on German unity with a reasonably constructive result.

The Potsdam conference in August 1945 agreed to set up a council of the four powers' foreign ministers to negotiate the fate of Hitler's defeated nation. It envisaged a peace settlement being made when a new government of Germany was established. But as the western allies split from the Soviet Union and the two German states gradually emerged from the eastern and western occupation zones, the prospect of a unified German government grew increasingly remote.

Six sessions of the council of foreign ministers took place between autumn 1945 and spring 1949 – the latter convening on the day of the promulgation of the constitution of the separate West German state. The four foreign ministers talked in Paris on June 20, 1949, of their inability to agree on restoring the economic and political unity of Germany.

Dulles (left), Eden and Molotov (right) at the Soviet embassy in East Berlin in 1954: 36 years on, the same arguments are being rehearsed

Speeches made when the four ministers next met in Berlin in 1954 showed some striking parallels – as well as some striking contrasts – to phrases used in the very different conditions of today.

"Strong ties of blood, sentiment and interest link the Germans in East and West," said Mr Anthony Eden, the then British Foreign Secretary. "It would be a dangerous illusion to suppose that a vigorous nation nearly 70m strong can remain divided indefinitely. So long as the Germans remain artificially divided, there can be no unity or stability in Europe."

Mr Georges Bidault, the French Foreign Minister, urged firm integration of Germany with the West. "The lessons of the past demand that we should avoid ever again arriving at a state of affairs where a country in the centre of Europe can play off the East against the West."

Mr Vyacheslav Molotov, the Soviet Foreign Minister, charged that Germany's planned military association with the West was part of "a vast American military plan...transforming western Germany into an armed camp for the preparation of a new war in Europe." Mr Molotov put forward several suggestions for withdrawing all foreign troops from Germany, which would become neutral within a "collective European security pact."

However Mr John Foster Dulles, the US Secretary of State, rejected Soviet conditions for German unity. Instead, he paid tribute to West Germany's ability to absorb inflows of refugees from East Germany of up to 3,000 a day, "attracted by these better conditions in West Germany."

He warned: "Our problem consists, most of all, in finding a worthy outlet for the great energy and the vitality of the German people." He recognised Soviet fears that the "new (European) community being born might be dangerous to it" but affirmed that Europe would be both "strong and peaceful" – two words which are likely to hang like banners over the unification conference today.

EC expects to drop visas for E Germany

By David Buchan in Brussels

BONN'S European Community partners are expected on Monday to agree to lift visa requirements on East German citizens next week in recognition of the latter's impending incorporation into the Community.

Last month an attempt to free East Germans of visas foundered on opposition from Italy, which wanted a simultaneous freeing of travel restrictions for Czechslovakia and Hungary as well. Rome has already abolished visa requirements for Czechoslovaks and Hungarians, and wants others to do the same.

In advance of Monday's EC foreign ministers meeting in Brussels, Commission officials predicted agreement on doing away with visas for East Germans.

They have always had the automatic right to a Federal Republic passport.

Whatever the upshot on Monday, Britain will go ahead and let East Germans enter the UK without visas, a UK diplomat forecast yesterday.

The speed with which German unity is taking place has revived efforts by the five-nation Schengen group to create a free travel zone between West Germany, France, Belgium, the Netherlands and Luxembourg.

The Schengen countries agreed a week ago to abolish visas for East Germans, and are now talking of signing a far-reaching police co-operation pact this summer.

In the dying days of the Modrow government, just before the March 18 election, East Germany agreed with Turkey on the mutual abolition of visas. Scrapping this agreement was made a precondition to any visa concessions by the EC or the Schengen group, and the government of Mr Lothar de Maizière has now done that.

The EC is also due next week to sign trade and co-operation accords with Czechoslovakia, Bulgaria and East Germany, although this last deal will obviously last only until it joins West Germany as part of the EC.

Pope's visit revives issue of Mexican anti-clericalism

By Richard Johns in Mexico City

THE visit by Pope John Paul II to Mexico, which begins tomorrow, has stirred up controversy about relations between the state and the Roman Catholic Church in the country.

Although this is being billed as an official meeting of heads of state, Mexico has not had diplomatic relations with the Holy See since 1857 when President Benito Juarez eliminated most ecclesiastical privileges and denied the Church the right to own any property.

This "non-relationship" abounds in contradictions which even left-wing politicians believe should be reconciled through constitutional amendments.

The Roman Catholic Church can hardly be ignored. In the 1980 census no fewer than 89.4 per cent of the population professed the religion. The proportion may have fallen with the rapid expansion of evangelical sects over the past decade, but most recent figures suggest 82 per cent.

The profoundly anti-clerical constitution of 1917, while guaranteeing freedom of belief, not only forbids the Church to own property but bars priests from voting, political activity and education below university level or even wearing clerical garb on the streets.

It also confines acts of public worship to "temples". Thus, the open air masses to be held by the Pope will in legal terms be a violation of the constitution.

Church spokesmen have stressed that the Pope's mission is essentially pastoral. But he may find it hard to avoid the question of Mexico's non-recognition of the Holy See. He will also confront worse social problems than on his last visit in 1979.

Five hundred priests sent a letter to the Pope telling him of the problem of increasing poverty and unequal distribution of wealth. Another sent by prominent laymen condemned "modernisation based on small islands of high development generated by foreign investment", an "archaic and under-developed political system which does not respect political suffrage", and the daily violation of human rights.

This administration, and previous ones, have held regular secret consultations with the apostolic delegate and other ecclesiastical leaders.

Nevertheless President Carlos Salinas de Gortari, whose wife comes from a Roman Catholic family, caused a stir at the end of 1988 by inviting to his inauguration a number of prelates including Monsignor Jeronimo Prigione, the apostolic delegate. This was only months after the beatification of Miguel Agustin Pro, a priest executed for his alleged part in the assassination of President-elect Alvaro Obregon in 1928.

UK NEWS

Car sales slide of nearly 13% surprises industry

By Kevin Done, Motor Industry Correspondent

SALES OF new cars dropped by 12.7 per cent in April and commercial vehicle sales plunged by 20.2 per cent in the steepest monthly falls of the present recession in UK new-vehicle markets.

Car sales have fallen in six of the past seven months, but the severity of the decline in April has surprised the industry, which has forecast a fall of about 8 per cent for the full year after five years of record sales.

New-car sales in April totalled 166,913 compared with sales of 191,276 in the corresponding month last year.

In the first four months of this year, sales were 8.9 per cent lower at 749,459, according to figures released yesterday by the Society of Motor Manufacturers and Traders.

Ford, the UK market leader, is seeking to reclaim lost ground since the fall in its market share to 24.4 per cent in the first four months from 27.1 per cent a year ago.

The share of UK-built cars in the domestic market has also declined further, with imported cars claiming 57.6 per cent of UK new car sales in the first four months compared with 55.9 per cent a year ago.

Sales have fallen precipitately in the commercial vehicles market, with a decline of 20.2 per cent in April to 26,799 from 33,581 a year ago.

The truck market 5 has been worst affected, with sales 25.8 per cent lower than a year ago in April.

Most UK truck makers, which are highly dependent on the domestic market, have been forced on to four and three-day working and are cutting their workforces.

DAF, the Dutch truck maker that took over Leyland's truck operations in 1987, this week warned that it will run up losses of Fl 20m-Fl 30m (£8.5m-£9.7m) in the first half of 1990 compared with record profits of Fl 74.5m in the corresponding period a year ago.

THE GUINNESS TRIAL

Jury hears of 'scapegoat' fears

GUINNESS and its lawyers feared in December 1986 that "political pressures" might result in a Trade Department investigation into the company coming up with a "scapegoat," the jury at Southwark Crown Court heard yesterday.

The "political pressures" had been referred to in a draft letter, which in the event was never sent, to Mr Michael Howard, number two to Mr Paul Channon, then Trade and Industry Secretary.

Mr Ian Taylor, a partner in Freshfields, Guinness's solicitors at the time, said the letter had reflected Guinness's concern about the way the DTI had been behaving.

He said Mr Ernest Saunders, then chairman and chief executive, had been very concerned about the impact on Guinness of the appointment of inspectors.

Mr Taylor said: "He felt it had been an over-hasty, almost cavalier, appointment and that if the DTI was concerned about something they should have raised it with Guinness before appointing inspectors."

Mr Richard Ferguson, QC, for Mr Saunders, recalled that at that time the Government was being criticised for allegedly being "soft" on white-collar crime in the City.

Mr Taylor agreed, adding that it had been about the time of the insider dealing prosecution of Mr Geoffrey Collier, formerly of Morgan Grenfell, which had been Guinness's merchant bank during the Distillers takeover. Mr Ferguson said the letter had expressed a desire that political pressures should not be satisfied at the expense of a fair investigation.

Guinness had feared that, to alleviate that criticism, "there was a danger that they might come up with a scapegoat."

Mr Taylor agreed, adding that that kind of City investigation was worse for the Conservative Party than for Labour.

Mr Taylor had been recalled to the witness box to supplement evidence he had given in March in the trial of Mr Saunders; Mr Gerald Ronson, Heron group chairman; Mr Anthony Parnes, a City stockbroker; and

Court report by Raymond Hughes

Sir Jack Lyons, the millionaire financier. They deny charges arising from an allegedly unlawful share support operation mounted by Guinness during the Distillers bid.

Prosecution barristers began reading transcripts of the defendants' interviews with the inspectors, starting with Mr Saunders' on February 10 and 11 1987. It is the first time the transcripts have been made public.

The inspectors asked Mr Saunders why Mr Parnes had been brought into the Distillers bid team in addition to stockbrokers Cazenove and Wood Mackenzie. Mr Saunders said there had been a view that the rather analytical approach, and contact between brokers and their clients "at golf club level", needed to be supplemented "by somebody who seemed to have a very streetwise knowledge of the market."

Mr Saunders said he did not recall encouraging Mr Parnes to find purchasers of Guinness shares; nor assuring Mr Ronson – or anyone else – of protection against loss if he bought Guinness shares.

Mr Saunders described Mr Parnes as "very much on Olivier Roux's team" and went on to explainn that Sir Jack Lyons had become "a regular strategic adviser" to Mr Roux, who had been Guinness's director of finance.

The bid team, managed by Mr Roux, had run the financial and market aspects of the bid. It had consisted of Mr Roger Seelig, of Morgan Grenfell, Cazenove, Wood Mackenzie and Freshfields. Mr Thomas Ward, another Guinness director, linked in closely with the team when he was in the UK, Mr Saunders said.

"I got involved with the bid team when things were wrong and left them alone when things were right," Mr Saunders told the inspectors, adding that he had always got involved in important strategic decisions.

The team had reported to him on an ad hoc basis.

The trial continues on Tuesday.

Dounreay to resume foreign reprocessing

By David Thomas, Resources Editor

THE UK Atomic Energy Authority intends to resume reprocessing foreign nuclear fuel at its Dounreay plant in Caithness, a business it abandoned almost 20 years ago.

The authority's plans were condemned yesterday by Greenpeace, the international environmental group, which drew the conclusion that they confirmed Britain's status as the world's nuclear dustbin.

The authority trades as AEA Technology. Its intention is to concentrate on reprocessing radioactive materials from specialised research laboratories.

Mr Owen Pugh, chief executive of AEA Fuels, said he hoped the company would shortly sign contracts to reprocess fuels from three research laboratories in Berlin, Madrid and the Netherlands.

The contracts are estimated to be worth more than £6m.

Mr Pugh said he had received inquiries from many other foreign laboratories. He said he envisaged that business from fabricating and reprocessing nuclear fuel at Dounreay would build up to about £25m a year.

Until recently, spent nuclear fuel from research laboratories around the world have been reprocessed in the US, but US environmental groups have successfully pressurised the authorities there to halt the business.

Mr Pugh said all the reprocessed fuel would be returned to its country of origin after storing and reprocessing.

Ms Jane Wildblood, Greenpeace's nuclear campaigner, said that reprocessing would pollute the local environment and create spin-off radioactive waste that would have to be disposed of in Britain.

She said: "This is another sign that Britain is becoming the world's nuclear waste dump."

British Nuclear Fuels last month announced a much larger contract to reprocess spent fuel from West German power stations at its Sellafield plant in Cumbria.

Ms Wildblood also alleged that the Dounreay reprocessing work would probably serve military purposes.

That assertion was strongly denied by Mr Pugh.

European with revolution's ideals

Raymond Snoddy on Robert Maxwell's foray on to the Continent

MR Robert Maxwell is the ideal reader of The European. He will begin to find out on Friday how many more there are like him.

Mr Maxwell is founder, publisher and editor-in-chief of The European, a long-delayed weekly international newspaper which will be launched next Friday. He is a central European by birth who says he speaks "at least" eight languages.

A short video sent to potential advertisers says nearly all there is to be said about The European.

The video shows Mr Maxwell in Paris during the celebrations of the bicentennial of the French Revolution last year.

"I dedicate The European to the ideals of the French Revolution," he says. "To the achievement of human rights everywhere; to supporting the country of Europe as a home with many open doors and windows, a country to which everyone can belong from the Urals to the Atlantic."

It is a vision that is costing Mr Maxwell – or rather Mirror Group Newspapers – £25m alone for the launch period.

The video states that this will be the decade of Europe and points out that market research shows there are 50m English speakers throughout continental Europe.

Interviews follow with young Europeans invariably enthusiastic about the imminent arrival of The European. With the exception of Charlotte Rampling, the English actress, they speak their own languages with sub-titles underneath.

Robert Maxwell: support for human rights everywhere

There will be no sub-titles in the 64-page European, which will be printed entirely in English.

Test or "dummy" issues of the three-section paper edited by Mr Ian Watson, the former deputy editor of The Sunday Telegraph, show that it is a high-quality, well laid out publication with beautiful colour.

Yet in one of a long series of promotional interviews, mostly conducted at weekends, the ebullient Mr Maxwell seems uncharacteristically defensive.

"I hope you are not going to raise the London Daily News," is his opening shot. The London Daily News, planned as a 24-hour newspaper, was Mr Maxwell's last new newspaper launch and he closed it after five months in July 1987.

"The left-wing scribblers," says Mr Maxwell, who is a member of the Labour Party, "say The European will never sell 2,000 copies and then it will shut like the LDN."

Mr Maxwell promises that The European will publish "absolutely indefinitely." The European is clearly much more than a business venture to Mr Maxwell.

"There is some Maxwell idealism. There is no denying it," he says. "But I'm not some starry-eyed idealist."

More than 1m copies of the launch issue will be printed in Watford, near London; Roubaix, in France; Frankfurt; and near Budapest.

Advertisers have been guaranteed a circulation of 225,000, including 150,000 in the UK. If sales reach 30,000 in a country where the paper is not printed, printing capacity will be set up there.

As well as extensive advertising, more than 60,000 people throughout Europe are being sent sample copies.

Mr Stewart Butterfield, European media director of McCann-Erickson, an advertising agency which has not yet advertised in The European, believes Mr Maxwell may find it more difficult to sell into the crowded British market than into continental Europe.

He believes, however, that a total circulation of 150,000 is not impossible and that advertisers could be interested if the right sort of people start to pick it up on their travels.

Mr Eric de Bellaigue, publishing analyst at stockbrokers Panmure Gordon, said yesterday: "The idea is an admirable one but I would suggest that the practical realities are against him."

Depending on its financial performance, The European, originally planned as a daily, could further delay the flotation of MGN.

At the end of last year Mr Maxwell said the flotation would be delayed until 1991 in order to carry out a management buy-out at The People, the weakest of the three MGN national newspapers.

Sponsor warns on 'hacking' bill

By John Mason

LEGISLATION to outlaw computer hacking will be largely unenforceable because the police will lack effective powers of search, the Government was warned yesterday.

The Computer Misuse Bill, which would make it illegal to gain unauthorised access to computers, completed its Commons stages and is now poised to become law.

Miss Emma Nicholson, the Tory MP for West Devon and the leading parliamentary campaigner against computer hacking, said police powers would have to be strengthened to make the legislation work successfully.

She told MPs police needed powers of search to be extended to the homes of suspected hackers, because programmes were often prepared at home on personal computers.

The bill would allow the police to search only the premises of victims, unless the suspected hacker was arrested. That could lead to unnecessary arrests on flimsy grounds, she suggested.

Miss Nicholson also complained that British Telecom was less than willing to co-operate with the police to monitor telephone lines under existing legislation.

Mr Douglas Hogg, a Home Office minister, opposed strengthening police powers on civil liberties grounds and denied that the bill would prove unworkable.

He said that Parliament had to be cautious about extending the powers granted to people to tap telephones.

Existing law, which allows for telephone lines to be monitored with the permission of the receiver of calls, could be used by police, he said.

Miss Nicholson withdrew her amendments in order to secure the passage of the private member's bill, of which she is a sponsor, but repeated her warning that police powers would have to be increased in future.

Herstmonceux price defended

THE HANDLING of the £8.1m sale of Herstmonceux Castle in East Sussex by the Science and Engineering Research Council was defended in the Commons yesterday by Mrs Angela Rumbold, an Education Minister, writes John Mason.

Mrs Rumbold defended the decision not to pursue an offer of £14m for the former headquarters of the Royal Greenwich Observatory. The bidder had been unable to provide suitable financial references.

The sale was criticised by the Comptroller and Auditor General for not including a clawback provision relating to increase in the land value arising from the granting of planning permission.

AFTERMATH OF THE ELECTIONS IN 201 LOCAL AUTHORITIES

Triumph for Labour still leaves Tories reprieved

AMID the inevitable fog of claim and counterclaim clouding the political message of the local elections, there was an emerging if unadmitted consensus at Westminster yesterday on the broad conclusions to be drawn.

For the Government the results were bad but none the less a reprieve. In the words of one minister, the wound inflicted by the poll tax had proved deep but not fatal.

Similarly, Mrs Margaret Thatcher can reasonably hope – for the time being at least – that the intense speculation that has dogged her leadership will quieten even if it does not subside entirely. As a senior Tory backbench MP commented, Mr Michael Heseltine's time may still come, but not next week. The implications for Labour were similarly equivocal. On one level, its gains of more than 300 seats, built on the strong base established in 1986, can be hailed as a stirring victory.

Against that, its dramatic failures in Wandsworth and Westminster, its losses in other parts of London, and its failure to dislodge the Liberal Democrats in other areas, all point to a further long slog before Mr Neil Kinnock can be confident of a move to Downing Street.

The surprisingly large influence of local issues in what most commentators and politicians had expected to be a clear-cut national referendum on the poll tax obscured the overall balance of voting. So too did the Liberal Democrats' ability to confound expectations that they could effectively be written off.

What Labour and Conservatives can agree on is that, at the ballot box, the voters were not prepared to give Mr Kinnock the 25-point lead that they have indicated in most recent opinion polls. Labour's lead looks closer to 15 per cent – daunting but not insurmountable at this stage of a parliament.

Ironically, some ministers were also taking comfort yesterday from computer projections suggesting that if the results were replicated at a general election, Labour would secure an overall majority of about 50 seats in the Commons.

Their argument is that, however sceptical one is about the outlook for the British economy, it is inconceivable that mortgage rates will be anything like as high as the present 15.5 per cent by the time of the election. Nor could the poll tax – to be sugared later this year with as much cash as the Treasury can afford – be anything like as damaging again.

Those two trends in themselves would deprive Labour of victoty, even before the Conservatives' planned onslaught on Mr Kinnock's new model party began to take its toll.

There are more immediate preoccupations for the Conservatives. After the damaging divisions that have surfaced among supporters, the priority of Mrs Thatcher and her ministers will be to head off another loss of collective nerve. Next Friday's inflation figures – expected to show a rate of around 10 per cent in April – will be the first test. There is still the lingering threat that the financial markets might yet take fright and force another rise in interest rates.

The Government has to show skill in managing the present review of the operation of the poll tax. Mrs Thatcher was insisting yesterday that her message – high bills are the fault of profligate Labour councils, not of the Government – was getting through, but many supporters still see the need for changes.

Mr Kinnock has other priorities. The first will be to ensure that the next stage in his modernisation programme – the publication later this month of a new campaign document – is credible enough to cement the loyalty of the disaffected working-class Tories won over during the past few months.

The next must be a concerted effort to neutralise the damaging impact on the party's broader electoral fortunes of a handful of left-wing councils in the capital.

The Labour leader said yesterday this week's successes were just the latest staging post in its march to victory at the general election. It was a credible claim.

But so was Mrs Thatcher's that the Conservatives had re-established a base from which to begin the fightback that will give them a fourth consecutive term of office.

Philip Stephens

Poll tax aid blamed as stronghold fails to fall

SUPPORTERS of the Labour Party supporters had long faces even before the count at Porchester Hall, Westminster, began.

Hovering next to the Cavendish ward count, Mr Paul Dimoldenberg, leader of the Labour opposition, looked subdued. He said he was disappointed by the Conservative gain in Wandsworth the night before.

"Wandsworth was the beneficiary of tens of millions of pounds of public funds used to keep the poll tax down for Tory political ends," he said.

He said Labour would have set a poll tax of £220 – £25 more than the rate set by the Tories.

Mr Dimoldenberg – who switched from a safe Labour ward to stand in Cavendish, where the Conservative majority was 70 – admitted that he had taken a risk.

He said: "I took it because the prize of winning that ward and therefore the possibility of winning the council was worth the risk."

He added that Labour had run a high-spirited campaign in Westminster, but added: "In many ways, by being so well organised, the Labour Party forced the Government to take extreme measures in order to keep the poll tax low.

"We have documents that can show that the poll tax in Westminster would have been £400 had the Government not given the borough £25m."

A clean-shaven young Conservative paused to cheer loudly when the first result – a Conservative victory in Belgrave – was announced, before returning to his portable phone. "Just make contact with Harare," he bellowed.

Nearby, Mr Nick Markham, 22, a management consultant with Bain and Co, one of the successful Conservative candidates in the Cavendish ward, said: "We spend more money per poor person in Westminster than in Brent and Camden because we don't waste money on unworthwhile causes like lesbian and gay groups."

Mr David Carlen, 27, one of Labour's candidates in Cavendish, said people in Westminster could not afford to turn their backs on what he called a Tory bribe. "Many of the services in Westminster have been cut to the bone. People would like to get rid of the Tories but can't afford to."

Lady Porter, leader of the Conservatives in Westminster, said she was confident of keeping the poll tax at a similarly low level next year.

She said: "This year Westminster is paying out £75 per person to cushion other boroughs. Next year we won't have to do that.

"What you are seeing here, thank heavens, because England is still a great country, is a recognition by the people of Westminster that the borough has provided them with efficient services," Lady Porter added.

At 11am, Mr Markham went over to shake hands with Mr Dimoldenberg. The result followed shortly – the Conservative majority in Cavendish had risen strongly.

Patting Mr Dimoldenberg's arm, Lady Porter wished him luck in the future.

"Obviously I'm very disappointed," said Mr Dimoldenberg. "People voted with their pockets and we're not going to win Westminster.

"I've lost my seat but I will be back."

Emma Tucker

Scotland votes for no change

BOTH Labour and the Scottish National party made small gains in the elections for the nine regional and three island councils in Scotland, while the Conservatives fell back slightly and Liberal Democrats were marginally down.

However, the Tories yesterday pointed to a 2½ per cent increase in their share of the vote in Scotland as evidence of recovery.

The elections left the local government map of Scotland broadly as before, with no council changing hands. Labour retained control of five regions, of which the largest is Strathclyde, leaving the rest with no party in overall control, and independents dominating Borders, Dumfries & Galloway and the islands.

Labour increased its hold on Lothian, taking one seat from the Tories and one from the Liberal Democrats. In Grampian, where the Conservatives had hoped to win seats, they lost five, three of them to the SNP and one each to Labour and the Liberal Democrats. As before, no party has overall control.

Across Scotland, Labour won a net 14 seats, the SNP six and the Greens one. The Tories lost seven, the Liberal Democrats one and independents 13.

The Conservatives increased their share of the vote from 16.9 per cent in 1986 to about 19.5 per cent, helped by the fact that they fielded nearly 30 per cent more candidates than at the last regional elections. They came third behind Labour – whose share of the vote was marginally down at 43 per cent – and the SNP, which took about 22 per cent.

James Buxton

Formidable task in Bradford

BLEARY from victory celebrations and lack of sleep, Mr Phil Beeley, Bradford's acting Labour leader, reported for duty at the Town Hall yesterday morning, writes Jimmy Burns.

Armed with a large screwdriver, Mr Beeley took the sign Leader of the Council from the Conservative Party offices and placed it outside his own.

Beyond the razzmatazz, Bradford's Labour group faces a formidable task in translating its election victory into lasting power. Mr Beeley will stand down as a councillor soon because his senior job with neighbouring Wakefield Council bars him from being a councillor under new legislation. Five candidates have put their names forward to succeed him, and there could be an acrimonious struggle.

London is blot on Labour landscape

LABOUR's results in the local elections throughout most of England, Scotland and Wales gave cause for celebration and, for Mr Neil Kinnock, brought the prospect of occupying 10 Downing Street a step closer. But there was a large blot on the landscape – London.

The party's strategists have launched an inquiry to discover what went wrong, but the answers will not be simple, as the results in the capital followed no clear pattern.

What remains clear is that Labour must make a much better and more consistent appeal to Londoners to be certain of gaining power at the next election. There are too many marginal seats at stake to ignore the lessons of the local elections.

Although the Labour vote held up well in some councils, the party failed to win target boroughs such as Wandsworth, Westminster, Tower Hamlets and Barnet. The party also lost Ealing to the Tories and lost overall control of Brent, where the Conservatives took nine seats from Labour.

One outcome of the elections is that Mrs Thatcher has been let off the poll tax hook, for the moment at least. By retaining low tax areas such as Westminster and Wandsworth, the Conservative leadership is able to argue that it is not the principle of the tax that has been found wanting, but its high level in many boroughs.

It was not all gloom for Labour in London. The party gained four seats from the Conservatives to take control of Merton, and Labour held its own or suffered only marginal losses in Lambeth, Hackney, Southwark and Haringey.

Labour's strongest areas correlated with the boroughs that produced the most organised protests against the poll tax.

Meanwhile, voters in Redbridge appeared to support the belief that the Government was to blame for the high poll tax level. The Conservative council there called on the Government to accept its responsibility for the community charge and held on to control with only minimal losses.

Kensington and Chelsea produced a similar picture. The Tories lost no seats, in spite of a high poll tax and an outspoken attack on the Government by the Conservative leadership on the level of grant.

Some reasons for Labour's disappointing showing seem obvious. The party lost 13 seats to the Tories in Hammersmith and Fulham, where the local authority has been embroiled in legal action over its finances.

There is also an undoubted residue of anxiety about "loony left" councils, which probably explains the poor result at Brent. There, Mr Bryan Gould, shadow environment secretary, admitted a that "sensible" leadership was unable to cope with the legacy of ills caused by previous administrations.

Labour leaders in London acknowledge that more needs to be done to persuade the electorate that Labour councillors are now more cost-conscious and responsible than in the mid 1980s.

Overall, there was a 5 per cent swing to Labour in the capital, less than half the lead achieved throughout the country and a quarter of the Labour lead shown in recent national opinion polls.

In a general election, that would mean about 10 seats captured by Labour from the Tories.

The party needs to do much better to be sure of an effective Commons majority.

Richard Evans and John Authers

Tony Andrews

John Grimshaw, elected to Wandsworth in London for the first time, celebrates with Councillor Angela Graham

Low community charge packs in the votes

THE LEADER of Wandsworth council in south London – often referred to as Mrs Thatcher's favourite borough because of its willingness to privatise services and sell council homes – will have risen in her estimation by increasing the Tories' control of the council from a single seat to a majority of 35, write John Authers and Emma Tucker.

In March, Sir Paul Beresford, 44, leader of the council for the past 7½ years, declared the lowest community charge in England at £148.

This year's figure became the centrepiece not only of his own council group's bid for re-election, but also of the Conservative Party's national campaign in the local authority elections. Leading government figures regularly prowled the streets of Wandsworth, particularly those which adjoined the Labour-controlled borough of Lambeth, which set a poll tax almost £400 higher.

As the voters' verdict was declared on Thursday night, Sir Paul was calmly triumphant. "We explained to the voters that the level of the community charge and the quality of services is a matter for individual councils, and not something to blame on Mrs Thatcher."

He refused to commit himself to a poll tax at the same level next year but said he was confident it would not rise significantly.

Born in New Zealand, Sir Paul is a reluctant politician who entered local politics only in 1978, when the Tories gained control of the council, because he was "sick and tired of living in an inner-city borough paying enormous rates."

Sir Paul says that he supports Mrs Thatcher's view of "minimal, practical government." Under his leadership, the council has privatised 17 services, sold 16,500 council properties to tenants, and put entryphones in council flats.

He claims that competitive tendering has saved the council £6.5m a year, but admits that council rents are among the highest in inner London. He believes efficiency in the borough has improved because officials have to take responsibility through what he describes as a "buck stops here" system.

Sir Paul admitted that he had once considered leaving politics, for personal reasons, but was now keen for a fresh challenge. As for possible Westminster ambitions, he said: "I have got a job to do now and I have got to get on with that before I think of anything else."

Man with a dangerous soubriquet takes up the chalice

IF THE CHALICE handed to Mr Michael Portillo yesterday is not quite poisoned, few of his colleagues at Westminster would sup from it gladly with him.

As Conservative MPs digested the results of Thursday's local elections, the 36-year-old rising star of the Tory right began one of the toughest jobs in Mrs Margaret Thatcher's government. As Minister for Local Government, he has the task of formulating the complicated and expensive plans to limit the political damage inflicted by the switch from domestic rates.

He will be expected to prevent unease among Tory MPs about the tax – still apparent yesterday in spite of the successes of Wandsworth and Westminster – from turning into a panic that might yet threaten the Prime Minister.

The consensus among those nervous MPs yesterday was that Mr Portillo was a good choice. Described by one as a "pragmatic ideologue," during a relatively brief ministerial career he has shown that he has in abundance both the intellect and the political skills that his new job will demand.

A member of the No Turning Back Group and one of the grammar-school Thatcherites upon whom the Tory Right rests its hopes of retaining a grip on the party once Mrs Thatcher has departed, Mr Portillo packs a hefty dose of realism in his ideological baggage.

Political friends and opponents say that his politeness and affability also provide a sugar coating on his hard-line instincts.

A Labour front-bench opponent remembers with grudging admiration how, as a junior social security minister, he managed to make a decision to cut benefit payments to parents of handicapped infants appear quite reasonable. "The acceptable face of hard-line Thatcherism," is how she describes him.

A Tory colleague with distinctly more liberal tendencies adds with a tinge of resentment that Mr Portillo makes his support for hanging sound "socially acceptable."

Mrs Thatcher's choice of the former Minister of State for Transport to replace the promoted Mr David Hunt – moved to the post of Welsh Secretary vacated by Mr Peter Walker – is skilful also from a personal perspective.

Mrs Thatcher believes that the main difficulty with the poll tax is not the principle behind it but the high level of the average bill, which is blamed largely on spendthrift local authorities.

Mr Portillo, in her debt for his meteoric rise since entering Parliament in a 1984 by-election as the MP for Enfield Southgate, will be expected to hold the line against "faint-hearts" who think the system itself is unfair.

Cynics at Westminster also see him as a right-wing counterweight to his new boss – the distinctly "wetter" Mr Chris Patten, the Environment Secretary.

Mr Portillo, whose father was a Republican who fled from Franco's Spain and whose mother was an English schoolteacher, has had a remarkably busy political career for someone so young. After spells in Conservative Central Office and in Downing Street during the 1970s, he served as a political adviser to four ministers, including Mr Nigel Lawson, the former Chancellor.

The skills he demonstrated then and subsequently in the Whip's office and the departments of Social Security and Transport won him the flattering but dangerous soubriquet of "a future Prime Minister."

His performance over the next few months may well decide whether he keeps it, or whether he shares the fate of many before him and becomes known instead as a "former future Prime Minister."

Philip Stephens

HOW THE PATTERN OF POWER CHANGED

Local election abbreviations

Party abbreviations used in election results include:

C Conservative
Lab Labour
L/Dem Liberal Democrat
NOC No overall control

To gain outright control of an authority a party must have half the seats plus one. Some councils listed as "no overall control" are effectively controlled by a party where it has an overall majority on the mayor or chairman's casting vote, or by agreement with a minority party.

ADUR L/Dem no change
AMBER VALLEY C no change
BARNSLEY Lab no change
BARROW-IN-FURNESS Lab no change
BASILDON Lab gain from NOC.
BASINGSTOKE & DEANE C no change
BASSETLAW Lab no change
BATH C lose to NOC
BIRMINGHAM Lab no change
BLACKBURN Lab no change
BOLTON Lab no change
BRADFORD Lab gain from C.
BRENTWOOD C no change
BRIGHTON Lab no change
BRISTOL Lab no change
BROADLAND C no change
BROXBOURNE C No Change
BURNLEY Lab no change
BURY Lab no change
CALDERDALE Lab No Change
CAMBRIDGE Lab no change
CANNOCK CHASE Lab no change
CARLISLE Lab no change
CHELTENHAM NOC
CHERWELL C no change
CHESTER NOC no change
CHORLEY Lab gain from C.
COLCHESTER NOC no change
CONGLETON NOC gain from L/Dem.
COVENTRY Lab no change
CRAVEN NOC no change
CRAWLEY Lab no change
CREWE & NANTWICH Lab gain from NOC.
DAVENTRY C no change
DERBY C no change
DONCASTER Lab no change
DUDLEY Lab no change
EASTBOURNE NOC no change
EASTLEIGH L/Dem lose to NOC
E PORT & NESTON Lab no change
ELMBRIDGE C no change
EPPING FOREST C no change
EXETER NOC no change
FAREHAM C no change
GATESHEAD Lab no change
GILLINGHAM C lose to NOC
GLOUCESTER NOC no change
GOSPORT C lose to NOC
GREAT GRIMSBY Lab no change
GREAT YARMOUTH Lab gain from NOC.
HALTON Lab no change
HARLOW Lab no change
HARROGATE C lose to NOC
HART NOC no change
HARTLEPOOL Lab no change
HASTINGS NOC no change
HAVANT C lose to NOC
HEREFORD L/Dem no change
HERTSMERE BOROUGH C No change
HUNTINGDONSHIRE C no change
HYNDBURN Lab no change
IPSWICH Lab no change
KINGSTON-UPON-HULL Lab no change
KIRKLEES Lab gain from NOC.
KNOWSLEY Lab no change
LEEDS Labour no change
LEOMINSTER Ind no change
LINCOLN Lab no change
LIVERPOOL Lab no change
MACCLESFIELD C no change
MAIDSTONE NOC no change
MANCHESTER Labour no change
MILTON KEYNES Lab gain from NOC.
MOLE VALLEY NOC no change
NEWCASTLE-ON-TYNE Lab no change
NEWCASTLE-UNDER-LYME Lab no change
NORTH BEDFORDSHIRE NOC
NORTH HERTFORDSHIRE C no change
NORTH TYNESIDE Lab no change
NORWICH Lab no change
NUNEATON & BEDWORTH Lab no change
OADBY AND WIGSTON C no change
OLDHAM Lab No change
OXFORD Lab no change
PENDLE L/Dem lose to NOC
PENWITH NOC No Change
PETERBOROUGH NOC no change
PORTSMOUTH C lose to NOC
PRESTON Lab no change
PURBECK NOC no change
READING Lab no change
REDDITCH No change
REIGATE AND BANSTEAD C no change
ROCHDALE Lab no change
ROCHFORD C lose to NOC
ROSSENDALE Lab no change
ROTHERHAM Lab No Change
RUGBY NOC no change
RUNNYMEDE C no change
RUSHMOOR C no change
SALFORD Lab no change
SANDWELL Lab No change
SCUNTHORPE BOROUGH Lab no change
SEFTON NOC No Change
SHEFFIELD Lab no change
SHREWSBURY & ATCHAM NOC no change
SLOUGH no change
SOLIHULL C no change
SOUTH BEDFORDSHIRE C no change
SOUTH CAMBRIDGESHIRE Ind no change
SOUTH HEREFORDSHIRE Ind no change
SOUTH LAKELAND NOC no change
SOUTH TYNESIDE Lab no change
SOUTHAMPTON Lab gain from NOC.
SOUTHEND-ON-SEA C gain from NOC.
ST ALBANS C no change
ST HELENS Lab no change
STEVENAGE Lab no change
STOCKPORT NOC no change
STOKE-ON-TRENT Lab no change
STRATFORD-ON-AVON C no change
STROUD NOC no change
SUNDERLAND Lab no change
SWALE NOC no change
TAMESIDE Lab no change
TAMWORTH Lab no change
TANDRIDGE C lose to NOC
THAMESDOWN Lab no change
THREE RIVERS NOC no change
THURROCK Lab no change
TORBAY C lose to NOC
TRAFFORD C gain from NOC
TUNBRIDGE WELLS C no change
WAKEFIELD Lab no change
WALSALL Lab no change
WATFORD Lab gain from NOC.
WAVENEY Lab gain from NOC.
WELWYN HATFIELD Lab no change
WEST LANCASHIRE C no change
WEST LINDSEY NOC no change
WEST OXFORDSHIRE Ind no change
WEYMOUTH & PORTLAND NOC no change
WIGAN Lab no change
WINCHESTER NOC no change
WIRRAL NOC no change
WOKING NOC no change
WOKINGHAM C no change
WOLVERHAMPTON Lab no change
WORCESTER Lab no change
WORTHING C no change
WYRE FOREST NOC no change
YORK Lab no change

LONDON

BARKING AND DAGENHAM Lab no change
BARNET C no change
BEXLEY C no change
BRENT Lab lose to NOC
BROMLEY C no change
CAMDEN Lab no change
CROYDON C no change
EALING C gain from Lab.
ENFIELD C no change
GREENWICH Lab no change
HACKNEY Lab no change
HAMMERSMITH & FULHAM Lab no change
HARROW C no change
HAVERING NOC no change
HILLINGDON C gain from NOC.
HOUNSLOW Lab no change
ISLINGTON Lab No Change
KENSINGTON & CHELSEA C no change
KINGSTON-UPON-THAMES C lose to NOC
LAMBETH Lab no change
LEWISHAM Lab no change
MERTON Lab gain from NOC.
NEWHAM Lab no change
REDBRIDGE C no change
RICHMOND-UPON-THAMES L/Dem no change
SOUTHWARK Lab no change
SUTTON L/Dem gain from NOC.
TOWER HAMLETS L/Dem gain from NOC.
WALTHAM FOREST Lab no change
WANDSWORTH C no change
WESTMINSTER C no change

WALES

COLWYN NOC no change
NEWPORT Labour no change
PORT TALBOT Lab no change
RHONDDA Lab no change
SWANSEA Lab no change

SCOTLAND

BORDERS Ind gain from NOC.
CENTRAL Lab no change
DUMFRIES & GALLOWAY Ind no change
FIFE Lab no change
GRAMPIAN NOC no change
HIGHLAND Ind no change
LOTHIAN Lab no change
ORKNEY Ind no change
STRATHCLYDE REGIONAL Lab no change
TAYSIDE NOC no change
WESTERN ISLES Ind no change

London Tube workers reject 9.3% pay offer

By Fiona Thompson, Labour Staff

FEARS of a repeat of last summer's strikes on London Underground rose yesterday after the National Union of Railwaymen rejected a 9.3 per cent pay offer.

The executive of the NUR, which with 13,000 Tube members is the largest of the three unions representing London Underground's 20,000 staff, on Thursday night voted by a substantial majority to reject the offer.

The two other unions, the TSSA white-collar union and the Aslef train drivers, have not yet formally responded.

London Underground agreed to meet representatives of the three unions for further discussions yesterday morning but the talks ended after 1¼ hours when the employers refused to budge on the offer, describing it as fair, realistic and final.

Mr Vernon Hince, NUR assistant general secretary, said he was disappointed that London Underground would not move. The NUR's executive will meet early next week, probably on Tuesday, to consider its next step.

The options include a reconsidered acceptance of the offer, putting the issue to the Wages Board, the industry's arbitration machinery, or balloting members on some form of industrial action. The probability is that the executive will decide on a ballot.

This would take a couple of weeks to carry out so any action, if voted for, would not begin until June.

The 9.3 per cent offer is over 11 months from May 7. It is identical to the offer made by British Rail and accepted last week by the NUR, Aslef and TSSA for their rail members.

The unions' Underground claim is for a substantial rise and a cut in working hours from the present 38 or 37 (depending on blue or white-collar job) to 35 hours. London Underground did not respond to the hours claim.

The NUR said its Tube members worked in a different environment and under different conditions to rail staff. It added that the high living costs in the London area warranted a bigger pay increase.

MR Roger Bannister, a Militant supporter who was expelled from the Labour Party, was yesterday elected to the executive of the Nalgo public services union. He was one of nine new members elected to the Nalgo executive.

Mr Bannister is one of four candidates for the post of general secretary of the union, which has 750,000 members. The result of the separate ballot for the union's general secretaryship will be disclosed next week.

Plea to Howard on voucher scheme

By Lisa Wood, Labour Staff

ONE of the new employer-led Training and Enterprise Councils (Tecs) due to take over delivery of publicly-funded training schemes has suggested to the Government that unemployed adults should be given vouchers to buy their own training.

The idea has been presented as a supplement to Northumberland Tec's bid for one of 10 pilot schemes to be carried out over the next two years on the provision of training credits.

In March Mr Michael Howard, Employment Secretary, announced the plan for the pilot schemes training credits — likely to be worth around £1,000 — to be given to about 45,000 people eligible for the Youth Training Scheme.

The plan is for participating employers not to receive YTS subsidies but instead pay a market wage with the young people exchanging their credits for training.

Mr Howard has singled out YTS as his main target group for the pilot schemes.

However, Northumberland Tec has suggested that adults should also be given vouchers to buy training.

Training for the right to a proper job

Lisa Wood listens to complaints and suggestions of ET trainees in Northumberland

IVAN, a 40-year-old former building worker was blunt about how he thought Employment Training, the Government's scheme for long-term unemployed adults could be improved. "They should find you proper placements where there is a job at the end. That is what people want, a job," he said.

Ivan, unemployed for eight years, is training to be a hospital care worker on ET. He lives in Northumberland where many employers dislike the scheme and are reluctant to offer work experience placements. Only 39 per cent of those completing ET courses obtain work compared with a national average of 51 per cent.

Ivan and several of his fellow trainees at Skills Unlimited — a private sector training provider — were being canvassed on their feelings about ET.

The work was being done for the Northumberland Training and Enterprise Council, which will take over responsibility for the delivery of ET in the county later this year.

The task is made more difficult by the Government's decision to cut state subsidies for ET and the Youth Training Scheme because of falling levels of unemployment and the assumption that employers will pay more for trainees. ET nearly two years ago replaced the Community Programme as the Government's main scheme for the adult unemployed.

Workers on a Community Project scheme, a forerunner of Employment Training

There are about 210,000 people on ET schemes. In Northumberland, only 10 per cent of people on ET receive work-based training provided by an employer. Training providers are critical of the abrupt way that the Government told them contracts were being re-negotiated and the lack of time to investigate alternative funding.

The nine ET trainees at the meeting, organised by a training consultancy called Full Employment UK, concentrated on five topics:

● **Placements:** Several of the trainees either expressed no desire to go on placements or criticised ones they had been on. Mark, 26, said he had gone on a word processing placement and ended up rolling carpets which the company sold. He was asked to leave by the company because of his attitude towards work and failure to wear a tie. Ivan said his first hospital placement was a "dead end" where he learned nothing.

● **Training quality:** Some trainees complained that the ratio of instructors to trainees was not high enough. Brian, 25, was training to be a joiner. He said the 15 trainees on his course had to be supervised when operating power equipment but often only one of the two supervisors was available and trainees were left "standing about."

● **Length of training:** Three trainees — two on a landscape gardening course and one on a painting and decorating course — said courses needed extending because it was not possible to obtain City and Guilds qualifications on a six-month programme. Anthony, a landscape gardening trainee, said he would probably complete the course, go on the dole for six months and then go back on to ET.

● **Women:** Both women in the group said they expected to get jobs quite easily. Katherine, 35, who was returning to work after raising a family, said there was a demand in the area for people with word processing skills. Sarah, 22, and out of the labour market for two years after having a child had a strong chance of a job as an instructor at a local swimming pool.

● **Training Vouchers:** Northumberland Tec is researching whether vouchers for training would work for trainees on the YTS and ET. The trainees were enthusiastic at the idea. They felt vouchers could give them a "foot in the door" with employers, particularly small to medium sized companies who might be more persuaded to recruit them directly. But those who wanted to extend their courses said a voucher might only pay for eight to nine months training.

In spite of their doubts about some aspects of the scheme, most of those who had been out of the labour market for some time felt that ET was worthwhile overall.

Shipbuilders agree to working practices deal

By Michael Smith, Labour Correspondent

MANUAL WORKERS at Vickers Shipbuilding and Engineering (VSEL) yesterday committed themselves to significant changes in working practices when they agreed a two-year deal which will increase basic pay by 9.15 per cent and cut the working week by two hours.

The company said the deal would introduce the most modern working practices in the UK shipbuilding industry, with the 10,000 workers agreeing to be considerably more flexible.

Yesterday's agreement at Britain's biggest shipbuilding company demonstrates growing pay pressure in Britain, although the company stressed that the improved productivity will offset some of the costs of the rises.

The deal follows conclusion of an agreement at Vosper Thornycroft of a package which increased pay by 9 per cent immediately, added another 1 per cent from January and introduced a 37-hour week from next April.

In the VSEL deal, which takes in both the company's Barrow-in-Furness yard and its Cammell Laird subsidiary in Birkenhead, the 39-hour week will be reduced by one hour immediately. Another hour's reduction will follow next April 1.

On that date the second year pay deal will mean increases of between 5.2 per cent and 8.5 per cent, depending on inflation.

Mr Tony Peak, managing director, said the deal would mean that skilled workers would take on jobs that had been done strictly by ancillaries. For example, they would do more carrying and cleaning.

A sheet metal worker putting up a duct might in future take on some minor painting work, said Mr Peak.

The company did not want to destroy skills and would train workers to take on additional jobs.

Mr Peak said that although the negotiations called for reconsideration of some traditional attitudes, there was a willingness on both sides to listen.

Since a lengthy strike two years ago over holidays, the two sides had enjoyed good relations.

AUT council 'reluctantly' approves 9% increase

By Norma Cohen, Education Correspondent

THE Association of University Teachers' council said yesterday it had "very reluctantly" approved a salaries offer which will raise basic pay by 9 per cent over the next year, thus removing the threat of an examinations marking boycott.

The AUT had initially sought an increase of 27 per cent in pay levels, claiming that in real terms, university staff salaries have decreased by that amount since the early 1980s.

However, the union had made clear members would not accept a settlement much below the average 10 per cent increase in university funding granted for the current fiscal year.

The offer, which will cover academic and professional staff at universities, marks an improvement over a 7.5 per cent pay offer made two weeks ago.

The AUT had told the university employers body, the Committee of Vice Chancellors and Principals, that if a satisfactory offer were not received, it would ballot members on an examination marking boycott to take effect this month.

The increase will cost employers 8.5 per cent for the 1990-91 fiscal year, with a portion of the increase achieved by delaying the the start of the salary increase by one month to May.

Also, from January 1 1991, an additional 1 per cent of the pay bill will be used for discretionary pay for merit rewards or to meet particular recruitment needs.

The offer also includes relief for those at the bottom rung on the pay scale by eliminating the lowest point. Lecturer scales will now begin at £12,086 while introductory salaries for related staff will be at £11,399. Top pay scales for lecturers will be nearly £29,000, while salaries for full professors would begin at £27,000.

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Taxes and trillionaires

IF Britain's local elections were a referendum on the poll tax, the outcome implies a less uniform degree of discontent than the general noise level might have suggested. The loss of 200 Conservative seats was undoubtedly a serious blow for the Tories. But the buoyant response of equities and sterling yesterday lent some credibility to the verdict of Environment Secretary Mr Chris Patten: a massacre it clearly wasn't. In consequence the leadership of the Tory party suddenly looks a less pressing issue this weekend than the government's overall management of the economy. When City dealers return from their bank holiday on Tuesday, inflation will feature more prominently on the agenda.

Not that the inflation issue can be wholly divorced from the poll tax. It remains to be seen whether the impact of the tax on next Friday's retail price data is sufficient to drive the index into double figures; and there are anyway good arguments for discounting the effect of a direct tax of this kind on the retail price index. But wage bargaining will undeniably be affected by the headline figure.

That is not something that the government can readily afford. According to projections in the International Monetary Fund's half-yearly World Economic Outlook, published this week, retail price inflation in Britain is set to emerge at 8.2 per cent in 1990 and 7 per cent in 1991, compared with 4.2 per cent and 3.6 per cent respectively for the industrial countries as a whole. The IMF also suspects that tougher monetary medicine may be needed to reverse the pressure of rising costs and prices, especially in view of tight conditions in the labour markets.

Housing outlook

Nor do conditions in the housing market, that other great engine of inflation, look any more reassuring. The boom of the latter part of the 1980s was substantially driven by consumption arising from equity withdrawal – the process whereby people borrow more than they invest in homes and spend the residue on goods and services. The result has been a run-down in net personal sector savings, which finds a counterpart in a current account deficit as imports rise to satisfy growing domestic demand.

The problem has temporarily been addressed by high mortgage rates. But the housing market is still an accident looking for the next opportunity to happen. Britain's owner occupied housing stock is probably now worth more than £1,000bn – a trillion, in transatlantic parlance. But at the last count there was a mere £¼ trillion of housing loans secured on that figure, suggesting unused equity in housing of £¾ trillion.

Despite the high cost of mortgages the liabilities in the personal sector's balance sheet are almost certainly creeping up in response to the continuing opportunity created by the liberalisation of the banking system to borrow on all that collateral. Thursday's house price figures from Halifax Building Society admittedly pointed to a marginal fall for the country as a whole in the year to the end of April. But that disguises a sharper fall in the south-east and a continuing upward trend in the North and Midlands where a more active housing market is probably making a notable contribution to Britain's buoyant monetary data.

Labour's options

The government's only way of preventing the release of this overhang of housing collateral is higher interest rates. For its part Labour argues for a wider armoury of weapons, including administrative constraints on credit. Few in the City believe that these would work without the support of exchange controls; and while Shadow Chancellor Mr John Smith clearly enjoys using credit controls as a stick with which to beat his Tory opposite number, some suspect that he would cheerfully drop them if Labour found itself in power.

More interesting, from the City's point of view, is Labour's commitment to the exchange rate mechanism (ERM) of the European Monetary System. Yet Mr Smith is a long way from seeing this as the real centrepiece of any Labour monetary policy. Like Mrs Thatcher, he believes in monetary sovereignty and has his doubts about European Monetary Union.

In short, there is nothing to suggest that either government or opposition are likely to share the degree of commitment to the ERM shown by the French under President Mitterrand. So if Britain joins the ERM the markets may well be reluctant to play the hitherto attractive game of backing a weaker EMS currency against the stronger ones on the assumption that interest rates in a fixed exchange rate system will ultimately converge. Until the commitment has been thoroughly tested, the risk premium in sterling will not erode. For a country with Britain's inflationary record and lukewarm Europeanism, there is no easy road to lower interest rates.

Joe Rogaly finds crumbs of discomfort for both sides after the local elections

Not everyone is ready for Labour

The Labour bubble nearly burst yesterday. As the results of Thursday's local elections began to sink in, it became apparent that the next general election in Britain is still wide open. Mr Neil Kinnock's new model party did very well indeed, showing gains right across the country, but its overall victory was diminished by defeats in London, and some disappointments elsewhere. The conclusion must be that Labour's 20 and 25 point leads in recent national opinion polls can, and probably will, dwindle to something much less substantial between now and an election that need not take place until mid-1992. It may be a freak, but yesterday's Gallup poll in the Daily Telegraph has that lead down to 15 per cent.

These are significant straws in some very changeable winds. At about this time last year, before the gods began to make the government mad – with no doubt the usual purpose in mind – it was impossible to believe that Labour could win; certainly the Conservatives were confident that they were headed for a fourth election victory in a row. "Our majority may be cut to 40 or so," ministers would say to show what objective and reasonable chaps they were, "but that is the worst that could happen to us."

This sounded convincing at the time, given the number of seats Labour needs. The arithmetic has been rehearsed often enough. What it boils down to is that Mr Kinnock's party has to gain some 100-plus seats to establish a working majority over all other parties in the House of Commons. A significant proportion of these must be found in the south of England, many of them in London,

"Trust us, we're Labour," they seem to be saying. Some voters were replying, "why should we?"

where Labour's support was shown on Thursday to be somewhere between wobbly and erratic. Winning 100 extra seats would anyway require a swing to Labour greater than anything achieved during the past half-century.

The magnitude of that task is worth spelling out. Since 1945, the biggest swing from one party to another at a general election has been 5 per cent. The largest swing to the Labour party has been 3 per cent. Neither swing seems much of an obstacle in today's climate, but before Mr Kinnock can form a government his party will have to clear both hurdles, and more. If Labour is to become merely the largest party in a hung Parliament it must earn a swing in its favour of 6 per cent. For overall control it needs another two points or so on top of that. As Mr Chris Patten, now the Environment Secretary, said during those long-ago days of Tory over-confidence, "Labour needs to do twice as well as it has ever done in the last 45 years to stand a chance of forming a coalition with the bits and bobs of the House of Commons, and almost three times as well as it has ever done to govern."

For the past few months such calculations have been cancelled out by equally devastating arithmetic, pointing to the opposite conclusion. This is that the Conservatives have fallen so far in the opinion polls that they cannot hope to catch up. The psephologists told us that no governing party as far behind the opposition as the Tories are in most polls now has ever recovered sufficient ground to win the ensuing general election. To my way of thinking this has meant that at the very least the Conservatives might lose their overall majority, for which they have to forfeit just 50 seats. That might mean a coalition with the "bits and bobs" Mr Patten refers to, but in such a circumstance the public would regard the Government as having lost the election, as it did in the case of Mr Heath in 1974.

Those who have been confused by this pair of self-cancelling equations have been tempted to take refuge in other forms of analysis. That is one reason why there has been so much talk of the decay of the Thatcher era, the invincible moderation of the present Labour party and the like. There will be more grist for students of simultaneous equations next week, when detailed ward-by-ward analyses of yesterday's local election results become available.

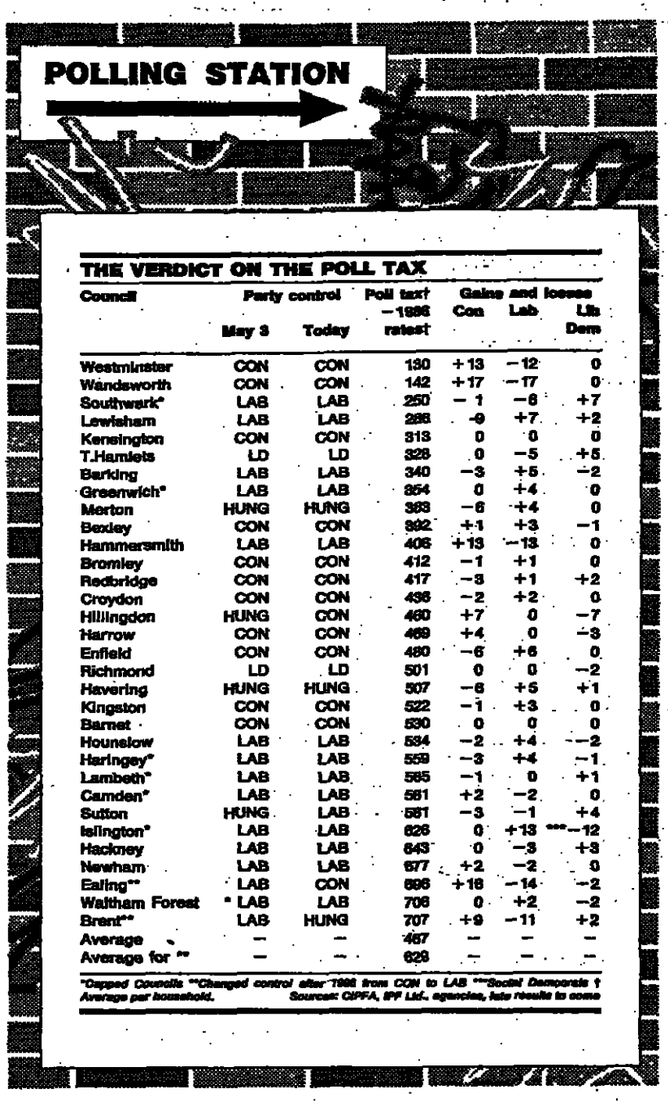
It seems likely that what will be shown is that there has been an overall swing to Labour, in terms of votes cast. This swing may seem insignificant or in some cases even negative when the comparison is made with current opinion polls; quick summaries, based on samples, suggested yesterday that Labour's overall lead in the local contests was about half its national opinion poll lead.

Such comparisons are actually of slight value. They do not really compare like with like. The useful measure is Thursday's results against the 1986 local elections, in which Labour also did very well (and the Tories won the subsequent general election). The size of the movement to and in some cases from Labour since 1986 will show a considerable regional variance. For example in Scotland, where Labour is already in a commanding position, the overall share of Thursday's vote was expected to be: Labour 43 to 44 per cent, Tories 19 per cent, Scottish National Party 21 per cent and the Liberal Democrats 8 per cent. Compared with 1986 Labour is unchanged, the Tories are up two points, the SNP three, and the Liberal Democrats are down seven.

Such figures, tabulated across the country by borough, may be set against the incidence of poll tax. Some indication of how this exercise is shaping up can be seen in the table, which shows seats won and lost in London on Thursday. This is less precise than a table of votes cast, but it is what British politicians, accustomed to first-past-the-post systems, tend to look at first. The column headed "poll tax minus rates" gives the difference between the average household bill four years ago and today. If the community charge is to be a strong influence on voting behaviour in local contests, this should be reflected in the winners and losers columns.

To a small extent it is. The lowest increases in the cost of London local government have been in Wandsworth and Westminster, and the Conservatives did spectacularly well in both of them. The disgraceful bottom of the pile, in terms of increased taxation, is Brent, and Labour lost control there; Ealing, third from the bottom, was lost to the Tories. There is justice here: it was captured by Labour from the Conservatives after 1986, its expenditure rose accordingly, and the voters responded as the theory of accountability says they should.

For the rest, however, the results range from mixed to inconclusive.



THE VERDICT ON THE POLL TAX

Council	Party control May 3	Party control Today	Poll tax† – 1986 rates†	Gains and losses Con	Gains and losses Lab	Gains and losses Lib Dem
Westminster	CON	CON	130	+13	−12	0
Wandsworth	CON	CON	142	+17	−17	0
Southwark*	LAB	LAB	250	−1	−6	+7
Lewisham	LAB	LAB	286	−9	+7	+2
Kensington	CON	CON	313	0	0	0
T.Hamlets	LD	LD	328	0	−5	+5
Barking	LAB	LAB	340	−3	+5	−2
Greenwich*	LAB	LAB	354	0	+4	0
Merton	HUNG	HUNG	363	−6	+4	0
Bexley	CON	CON	392	+1	+3	−1
Hammersmith	LAB	LAB	406	+13	−13	0
Bromley	CON	CON	412	−1	+1	0
Redbridge	CON	CON	417	−3	+1	+2
Croydon	CON	CON	436	−2	+2	0
Hillingdon	HUNG	CON	460	+7	0	−7
Harrow	CON	CON	469	+4	0	−3
Enfield	CON	CON	480	−6	+6	0
Richmond	LD	LD	501	0	0	−2
Havering	HUNG	HUNG	507	−6	+5	+1
Kingston	CON	CON	522	−1	+3	0
Barnet	CON	CON	530	0	0	0
Hounslow	LAB	LAB	534	−2	+4	−2
Haringey*	LAB	LAB	559	−3	+4	−1
Lambeth*	LAB	LAB	565	−1	0	+1
Camden*	LAB	LAB	581	+2	−2	0
Sutton	HUNG	LAB	581	−3	−1	+4
Islington*	LAB	LAB	626	0	+13	***−12
Hackney	LAB	LAB	643	0	−3	+3
Newham	LAB	LAB	677	+2	−2	0
Ealing**	LAB	CON	696	+16	−14	−2
Waltham Forest	* LAB	LAB	706	0	+2	−2
Brent**	LAB	HUNG	707	+9	−11	+2
Average	–	–	467	–	–	–
Average for **	–	–	629	–	–	–

*Capped Councils **Changed control after 1986 from CON to LAB ***Social Democrats † Average per household. Sources: CIPFA, IPF Ltd., agencies, late results to come

Labour all but wiped out the Social Democrats in Islington, which is high-spending and capped, and gained moderately high Merton, while the Liberal Democrats took the formerly hung councils of Sutton and Tower Hamlets. Clearly there is some kind of community charge effect on local electoral behaviour, but it is not uniform and it can be offset by other factors. This is why those Conservative theorists who want little or no modification of the poll tax still have to convince their peers.

Whether you regard this as good or bad news for the Government depends upon how cynical you are. In most moods I tend to favour the Iain Macleod theory of politics, which is that people vote from the wallet. So it could be argued that the Conservatives' task is now to throw a billion or four at local councils while simultaneously capping the poll tax that those councils may levy. This would defuse the issue of local government finance and leave the Prime Minister free to draw the attention of the electorate to other things, like her constant meetings with foreign leaders. The government can then sit back and hope to have interest rates and inflation down about 6 to 12 months before it must face the electorate, in which case Mr Kinnock will once again be frustrated.

As was once said of Mr Macleod, this might be too clever by half. The Conservative Prime Minister, Mrs Margaret Thatcher, remains an electoral liability: according to the opinion polls she is becoming the most unpopular party leader ever. The poll tax still suffuses the Tories with an aura of unfairness and bungle that may be greater in its effect on general election voting than is the mere cash size of the charge in highly-publicised boroughs such as Wandsworth. The well-known pitfalls awaiting the Tories are still there: next Friday's inflation figure; the inflation-driven autumn wage round; the potential bifurcation of the party over attitudes towards the European Community; and the growing probability of a further leadership contest in October, to name but four.

Looked at in this way, yesterday's results really are good for Labour, since they contain enough crumbs of comfort for the Tories to keep Mrs Thatcher in Downing Street and the poll tax on the statute books. The Government will lose the election and hand the reins over to the opposition. Mr Kinnock might conclude that all he has to do is allow the "Thatcher factor" and the poll tax to do their work for him, as they have been doing since the turn of the year.

That would also be too clever by half. The extraordinary run of political misfortune that has beset the Tories since the crowning glory of Mrs Thatcher's 10th anniversary in Downing Street on May 4th 1989 will not necessarily continue for another two years. It has enabled Mr Kinnock and his colleagues to capitalise on their own commendable bonfire of unpopular policies such as unilateral disarmament and wholesale nationalisation, but it is not at all obvious that much more has been achieved.

Work it out: Labour is odds-on to win next time if it gathers and retains the votes of former Liberal/Social Democratic alliance voters and sympathisers, or disgruntled working class Tories, or a combination of the two. The Liberal Democrats claim to have won about a fifth of the votes in Thursday's local elections, which is one reason for Labour's disappointments. This aggregate of local scores is not necessarily a guide to electoral behaviour at a general election but it is at the very least circumstantial evidence that many former alliance voters have not yet found a permanent home in the Labour party.

One reason for this is that Mr Kinnock and his advisers have so far chosen to avoid the enunciation of a clear set of understandable principles upon which they would base their governance if they won. The policy review is a long document, more notable for what it discards of the old than for what it offers as new. The party plans to meet this objection in a few weeks' time, by publishing a shortened version of the review. If this is successful it could do for Labour now what "The Right Approach" did for the Conservatives in the late 1970s. We will be able to judge whether this is so when we see it.

The Labour Party is far more attractive – or, if you prefer, far less unattractive – today than at any time since 1979. It is apparently united and seems to be heading for a future as a European-minded, European-style social democratic party. Many people deride Mr Kinnock, but he has been the man in charge during Labour's transformation and he must take the credit for it. Some Labour front-benchers, including Mr John Smith, Mr Gordon Brown, Mr Tony Blair, Mr Bryan Gould and Mr Jack Cunningham have been winning friends for Labour in a sustained effort to attract centre-minded opinion.

What is open to question is whether this huge mid-term campaign is in itself sufficient to convince the many remaining doubters that Labour can be voted into office again. I am not so sure, one reason being the time available for the Government, which might yet stage a recovery, and another being the Labour strategy of avoiding anything (membership of the exchange rate mechanism of the European monetary system apart) that might dilute its power if it won. "Trust us, we're Labour," they seem to be saying. Some voters were replying on Thursday, "why should we?"

WOMAN IN THE NEWS

Jill Morrell

Reluctant activist in fight for Beirut hostages

By Victor Mallet

One day last June, Yassir Arafat, the leader of the Palestine Liberation Organisation, received a visitor at his ambassador's residence in Tunis who was quite unlike the usual crowd of political activists, diplomats and journalists.

It was Jill Morrell, a diminutive and determined woman from Doncaster, and she had come to plead for help in her efforts to win the freedom of her former boyfriend, television producer John McCarthy. He was kidnapped in Lebanon on April 17, 1986, and Ms Morrell, even when she had no proof that he was alive, has campaigned tirelessly on his behalf ever since.

Arafat – never a man to miss an occasion for political theatre – declared in the ambassador's living room that if money was the problem, he could solve it. He took aside Haj Ismail, his commander in Lebanon, and told him to contact the relevant Lebanese factions; shortly afterwards Arafat received a call on a portable telephone and said his people in Lebanon were already in touch with Hizbollah, the umbrella organisation behind the kidnapping of westerners. Then it was time for tea.

Nothing much came of that episode, but the visit to Tunis by Ms Morrell and Chris Pearson of the Friends of John McCarthy, the pressure group established in early 1988, was one example of the lengths to which she is prepared to go.

No-one had ever claimed McCarthy's kidnapping, and the announcement by Frank Reed, the American hostage freed on Monday this week, that he had seen McCarthy alive and well a few days earlier, was a delightful surprise for Ms Morrell and McCarthy's other friends and colleagues.

"It is absolutely fantastic, it's the best news we have had," she told ITN. "I can hardly believe it. I don't quite know what to do about it." Catherine Comerford of the Friends of John McCarthy echoed Ms Morrell's sentiments. "When we heard this news everybody just cried," she said in the group's pokey – but donated – little office at the headquarters of the National Union of Journalists.

Ms Morrell has now gone on a well-deserved holiday, having delayed her departure following the release of Reed and his fellow American hostage Robert Polhill. She remains, however, the reluctant figurehead of an extraordinarily successful publicity campaign for McCarthy and the other three British hostages.

"He's been kidnapped for longer than I knew him now. It's very weird," she said recently, affirming that she needs to continue her own life and would rather not be called McCarthy's girlfriend, although she remains committed to working for his freedom. "I'm not the story. John is."

Nevertheless, Ms Morrell's attractive personality, her calm determination, and her struggle against public apathy and what she sees as the feebleness of the Foreign Office's hostage policy have won her acclaim in Britain.

"She will always be the focal point of the campaign because she is the face the press want to see," says Ms Comerford. "She will always fight for John for however long it takes. It's incredibly tiring; it's been a huge part of her life for four years."

Ms Morrell, aged 32, and McCarthy, now 33, were both at Hull University but did not become close until they met in London as employees of Worldwide Television News, the TV news agency previously called UPITN. She worked as a secretary before becoming a journalist and scriptwriter, and recently moved to Channel 4.

A full-time job does not allow much time for campaigning, but Ms Morrell and her colleagues have attempted to win the support of diplomats, politicians and the general public both by quiet lobbying and by selling T-shirts and staging a series of publicity stunts to attract the cameras.

In one of the most memorable, Morrell released black balloons from the top of the Blackpool Tower during the Labour Party conference two years ago. Last year the campaigners held a giant birthday card for McCarthy outside the Foreign Office and released some white doves. With the donated skills of advertising agency Bartle Bogle Hegarty, they have kept McCarthy's name alive through a series of emotive posters and filmed advertisements, although they have been refused charitable status (because they are fighting for an individual) and been denied airtime for their advertisements by the Independent Broadcasting Authority on the grounds that they are a political organisation. In Britain an all-party parliamentary support group for the hostages has just been launched.

Ms Morrell has also taken her campaign to Damascus to urge the Syrians to use their influence in Lebanon, to Paris to meet freed French hostages, and to Strasbourg to meet Members of the European Parliament.

Despite their success in keeping McCarthy in the public eye, the Friends of John McCarthy have not forgotten the other British hostages. They are Brian Keenan (also seen recently by Reed), Terry Waite (envoy of the Archbishop of Canterbury) and Jack Mann (a retired pilot and resident of Beirut). Keenan, however, also has Irish nationality, and his family are anxious to emphasise this because of Britain's unpopularity with the Middle East powers concerned.

Money from donations and fund-raising events – which have included a cricket match and a flamenco evening – pays for daily operations and is also distributed to a range of relevant good causes; some has gone to a charity for Middle Eastern children and some to Sunnie Mann, Jack's hard-pressed wife in Beirut.

Ms Morrell has not hesitated to attack the Foreign Office for its lack of conspicuous activity on the hostage issue, but her desire to see McCarthy free has not blinded her to the moral complexities of negotiating with kidnappers and their backers. Like President George Bush, she favours a solution where each side can point to goodwill gestures by the other without being criticised at home for caving in to unreasonable demands. "I would pay money to get John back," she said last year, "but I would accept that governments can't be seen to be doing that."

Doubtless she will welcome this week's announcement by Mr Douglas Hurd, the Foreign Secretary, that Britain is prepared to countenance the idea of direct talks about the hostages. McCarthy is now known to be alive, but he is not yet safe or free.

After McCarthy was seized, she waited quietly for 18 months on the advice of the Foreign Office before deciding that enough was enough and calling a press conference. The Friends of John McCarthy was born. "Jill has done remarkably well to weather it all," says Ms Comerford. "She's very tenacious."

Terence Conran is returning to his first love - designing. **Maggie Urry** assesses his innovative career

Pilot of change from 'need' to 'want'

Last Thursday marked the end of an era in British high streets. Sir Terence Conran, the founder of Habitat in the 1960s, announced that he was stepping down as chairman of Storehouse, the retailing empire he had built from that modest beginning.

His career is not finished yet. His resignation as Storehouse chairman will allow him to get back to his first love of designing and he is buying back the Conran Shop from the group.

Whether Sir Terence was the force behind it or the symbol of it, his career has coincided with a remarkable change in British attitudes to style and design.

Once looked on with suspicion as an esoteric, even effeminate interest, design now pervades the lives of ordinary people.

Sir Terence, in home furnishings, and others in fashion – such as Mary Quant, Ossie Clark and Barbara Hulanicki of Biba – were there at the right moment. "It was a moment when it could happen," says Sir Terence, and had those people not been there "it would not have happened."

The prominence those early designers achieved brought design to the public's attention. Mr Rodney Fitch, head of his own design group, says: "The country has produced a whole host of influential designers and stylists in the last 20 years. Sir Terence's success made success for the rest of us possible."

More than that, Sir Terence's career spans a period when there has been a complete reversal in the balance of power between manufacturers and consumers.

When the young Conran was designing for the Festival of Britain in 1951, the country was still in the grip of post-war rationing. It was a "grey dreary world", he recalls.

It was not until the late 1950s, the "you've never had it so good" years, that consumer power began to be felt. "In those strange, post-war years people needed things," Sir Terence remarks, "and by the early 1960s the need was satisfied. In the 1960s people started to want things." It was only when people bought what they wanted rather than what they needed that they could start to exercise choice.

Only in the past few years have consumers been so spoilt for choice that they can dictate to retailers what they want to buy.

Now good design is, in the words of Mr Fitch, "the prerogative of all people and not just the wealthy." The changes in the goods stocked by chain stores such as Marks and Spencer, and BhS, part of the Storehouse empire, have been enormous over the past 10 years.

"What I started off by saying was, 'why just because something is well designed should it only be available to affluent people?' A well designed product should be just as cheap if not cheaper," Sir Terence says.

Habitat is one of the survivors from the blur of images that people refer to nostalgically as "the sixties". The Beatles, Biba, hippies, mini-skirts, the first foreign holidays for most people, a broadening of minds and experiences.

While Elizabeth David taught the English to cook ratatouille, Sir Terence – a man whose girth reveals his love for good food – sold them the authentic French cooking pots to do it in.

When the first Habitat store was opened in 1964 in the Fulham Road, in London's fashionable Chelsea neighbourhood, shoppers flocked through its doors, presented for the first time with a range of desirable objects for the home from kitchen basins to pine tables.

"Habitat sold what people had picked up on holiday or found in out of the way ironmongers shops," says Sir Terence. "People with an eye had been able to collect these things before, but you could not find traditional French cooking utensils except in one little shop in Soho."

Although just one shop at first, the effect of Habitat spread through word of mouth and then the Sunday colour supplements which were beginning to appear in the 1960s. "Customers came in after lunch on Saturday and felt they were part of a club that had discovered a new way of life. That sounds amazingly pretentious," he says.

"Our philosophy has always been that we are purveyors of a collection of plessant, useful objects. We never suggested people should fill the house with them. It makes a very dull house if you just go in and buy everything in the shop."

Mr Fitch says: "Sir Terence was there at a time when people were hungry for stylistic change. He created a distinctive English style – a style very much bred of clarity but which allowed marginal eccentricity. He showed that we did not need cluttered interiors, but needed points of interest. A simple, interior could accept some bizarre piece of furniture or ethnic wall-hanging."

Part of this style's importance was that it was attainable. "Sir Terence was very important, very influential in bringing an understanding of and aspiration for well-designed products to a huge section of the community," says Mr Ivor Owen, director of the Design Council.

It is too easy to say that Sir Terence's difficulties at Storehouse negate his importance in spreading design through high streets and consciousness. His critics point to the slump in profits at Storehouse and argue that the Conran dream of bringing design to the mass market has failed.

But that is a simplistic attack. What has gone wrong, broadly speaking, was not the design but the execution. Storehouse under Sir Terence simply failed to get the mechanics of retailing right – getting the stock on the shelves on time, making the computer systems work and so forth. That is being tackled now by a combination of accountants and retailers. Sir Terence can get back to doing what he was always best at.

Ashley Ashwood

Sir Terence Conran: he can return to doing what he was always best at

Roderick Oram tells how a long Greyhound bus strike has affected riders, drivers and bosses

Sore paws for America's highway hound

People down in Sweetwater take travel for granted. Hundreds of them think nothing of jumping in their cars on a Friday afternoon for a 400-mile round trip to watch their high school football team play an away game.

But even in the vast expanses of west Texas not everyone owns a car. Some can't afford one, others are too old to drive anymore but are still keen to visit children who have moved to the big cities such as Dallas, 230 miles to the east.

Like others in thousands of small towns across America, their only form of public transport is the Greyhound bus. Local farmers and businessmen also depend heavily on the bus service for freight.

Nine weeks ago, Greyhound plunged into its second violent and disruptive strike in seven years. Negotiations resume today with much at stake: for new owners, it is a fight to turn round the struggling company; for workers it is a battle over money, prestige and the right to strike; for some people in Sweetwater it is a loss of mobility.

"Our little old grandmas have been too scared to ride the bus," says Mrs Ann Emler, the self-employed agent who runs the local Greyhound bus depot converted from an old petrol station.

Nothing much has happened in Sweetwater. Half a dozen pickets showed up three days running to shout at drivers who chose not to join the Amalgamated Transit Union's strike. But blood has been shed elsewhere. A striking driver was crushed to death by a bus at a California depot. Behind the wheel was a newly hired driver who had taken his job. Dozens of buses out on the roads have been hit by gunfire or rocks. The company has received scores of bomb threats.

For most Americans, it is impossible to reconcile the scattered violence with their decades-old image of a uniformed, courteous driver.

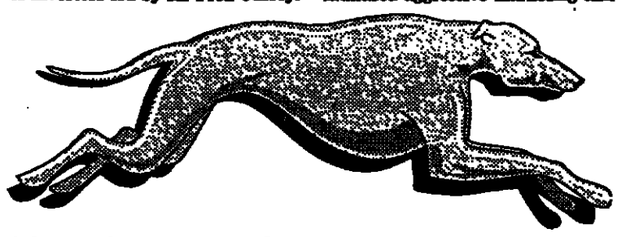
"The ones I know are all real nice guys," says Mrs Emler.

Both union and company agree only a handful of people are responsible for the violence. The company alleges that union leaders are inciting and organising it; the union thinks the perpetrators are uncontrollable "crazies."

In the balance are the jobs of 6,300 drivers and the company's future.

From its roots in rural Minnesota 76 years ago, Greyhound had grown into a conglomerate with buses as just part of the portfolio. The bus business held up fairly well until the deregulation of airlines in 1978 and buses in 1982. From a peak of 10.35bn passenger miles in 1981, Greyhound plummeted to 6.09bn in 1986 under pressure from airline competition and an uneconomic cost structure.

Drivers took a 25 per cent pay cut in late 1986 to try to keep the buses running. But the parent company, seeing no future in the business, sold it in 1987 for $350m to a group of investors led by Mr Fred Currey.



A few months later he snapped up Trailways, a much smaller bus company he once managed, for $80m to give Greyhound a virtual monopoly of US long distance bus services.

Now called Greyhound Lines Inc., the bus business is owned 22 per cent by Mr Currey, 18 per cent by PaineWebber, the Wall Street investment bank, and 25 per cent by its former parent which recently renamed itself Greyhound Dial. The balance is held by other executives and outside investors.

Mr Currey turned the company inside out. He stripped out layers of management unnecessary after deregulation; slashed fares and launched aggressive marketing and advertising campaigns; invested $180m over three years on often badly rundown city centre bus stations; and bought hundreds of new buses to improve service.

The changes have begun to pay off. Traffic recovered last year to 7.5bn passenger miles and an average of 23.3 filled seats per bus – typically 43 seaters – up from 19.8 seats in 1987. Revenues rose to $1.04bn from $630m in 1987. But an operating profit of $49m was consumed by $50m of interest on Greyhound's $346m of debt. Only a tax credit put it $727,000 into the black – the first net profit since 1985.

"Fundamentally, a very sound business underlies this," says Mr Mike Doyle, Greyhound's chief financial officer. "It is a matter of pricing properly and providing good service."

Still feeling the cost squeeze and pushing for greater flexibility in how it pays and uses its drivers, Greyhound offered them only a slender pay increase in this spring's contract negotiations. The drivers wanted a rise of 4 to 5 per cent in the first year. They rejected the package, not only because it failed to restore their former pay levels but also because of more than 30 non-wage issues. The union says its own proposals would cost $40m over three years, but the company estimates $180m.

Last year, Greyhound drivers earned an average of $24,743, well below their pre-deregulation earnings in real terms. But that is misleading, says Mr Doyle. There are many part-time drivers and the top quarter earned an average of $33,000. Many were paid more last year than in 1986 because improved scheduling allowed them to drive more hours (at 30 cents a mile) during their shifts.

"There are striking drivers who are very resistant. They want things like they were in the 1950s. They can't accept the changes."

Some 6,300 drivers and 3,000 mechanics and office workers, all union members, went on strike on March 2. Most of the latter two groups went quickly back to work, making it a drivers' strike. The company maintained a skeleton service initially with 500 drivers who crossed picket lines. Over subsequent weeks it has hired 2,750 new drivers and is now carrying about 65 per cent of the passengers it did before the strike.

By June it plans to have a total of some 4,200 drivers which will prove it is offering a competitive wage, says Mr Doyle. Given new schedule efficiencies, that is all the drivers it needs to provide a virtually full service again.

"At that point, the strike is irrelevant," says Mr Lannie, Greyhound's chief negotiator.

The new employees are permanent replacements for the strikers, a tactic allowed by US laws. The company's only obligation when the dispute is settled is to hire strikers as jobs become available.

Meanwhile, Wall Street is jittery about Greyhound's future and its publicly traded bonds. The company . In recent weeks, though, both sides seemed to be wearying of the fight and the violence has dwindled. Today's talks take place amid signs of a somewhat more conciliatory attitude by union and company, though the latter is adamant about keeping its strike-breaking drivers.

Even if the dispute was settled imminently, Greyhound will suffer lingering damage. It has already lost again, for example, many of the parcel customers it had painstakingly wooed back over the past few years. For the second time in seven years its image has been badly dented and the anger and frustration of the union drivers will fester for years. "I could understand it if we were asking for an arm and a leg," said Mr Leverne Daniels, a driver picketing outside the pokey Dallas Greyhound depot.

A block away, up on the 24th floor of a mirror skyscraper, Mr Currey, Greyhound's president, has taped a picketer's sign to his office door. In big red capital letters it reads "DROP DEAD FRED."

LETTERS

Shock treatment in the boardroom

From Mr Edgar Palamountain.

Sir, Your editorial ("Rewards in the boardroom," May 1) calls for comment from the Wider Share Ownership Council, an organisation which can claim to speak for at least some of the shareholders out of whose pockets the contentions payments to executives are made.

What we have been witnessing is the development of a false market, the artificiality of which is not disproved by its international extension.

This implies that the supply of competent executives would not be diminished by a reduction in their price – say to the relative levels of 1960.

If one major country did this, there would be a transitional upheaval, and the other countries would then fall into line. A shock to the system is the only way to re-establish market forces in anything other than the long term.

How might this be done in the UK?

To expect it to be achieved by non-executive directors or remuneration committees is demonstrably and predictably futile.

What is required is for one leading company to set an example. If such a company announced that its semi-executive chairman was receiving a salary of £50,000 and its managing director one of £150,000, the effect would be dramatic.

The balance of their rewards should consist of income and capital growth derived from a (preferably large) holding of the company's shares.

This would have another desirable side-effect: of putting them in the same boat as members of the employee share scheme which such an enlightened company would undoubtedly have.

Only the salary figures would, of course, be published.

The sense of outrage engendered by the situation which you describe – together with its presumed effect on wage demands – would be largely, if not wholly, eliminated.

Edgar Palamountain,
Chairman,
Wider Share Ownership Council,
Juxon House,
94 St Paul's Churchyard, EC4

Oxfam inquest 'needs fresh blood'

From Mr Ansel Harris.

Sir, You report (April 28), that the Charity Commission is to investigate whether certain Oxfam campaigns involve "undue political activity."

As recently as March this year, the commissioners found that an article on the Middle East published in Oxfam News "offends the guidelines laid down by the Courts and published in the Commissioners' leaflet on political activities by charities."

These investigations are both costly and worrying, as is the fact that only 55 per cent of its gross income of £80.8m in 1988-89 was devoted to its overseas aid programme: a performance far below its supporters' and the public's perception.

Last year's white paper, Charities: A Framework for the Future, pointed out that charity funds "are clearly in the public domain;" they also receive tax benefits "estimated at over £500m."

This new investigation, the fourth in five years, is to be conducted by a member of the commission's staff who was actively engaged in the previous ones.

Would it not be more appropriate for a commissioner to conduct this new inquiry?

Or better still, that an outside member of the legal profession be appointed to investigate the matter afresh and objectively?

Ansel Harris,
(Honorary Treasurer, Oxfam, 1980-86),
23 Ferncroft Avenue,
London NW3

Investment trust share-buying

From Mr Nicholas Prowse.

Sir, As the manager of 12 investment trusts and of the largest investment trust savings plan used by more than 7,500 investors each month, I was taken aback by Mr O'Shea's statement (Letters, April 25) that promoting investment trust shares is "inherently unethical and potentially fraudulent."

We are acting as responsibly and honourably as the marketer of any investment product and no more "unethically and fraudulently" than the marketing staff of the leading unit trust manager with which Mr O'Shea is associated.

We would point out our industry manages assets of around £18bn with its shares valued at £15bn. Savings plans last year attracted around £60m. About 75 per cent of investment trust shares are owned by institutions, but this source is dropping off.

Many such institutions now have their own expertise and sponsor rival products but are willing suppliers of trust shares to new purchasers.

With the stockbroking industry often inaccessible, investment trusts, almost alone among quoted companies, are actively wooing the individual investor.

The Securities and Investment Board regulatory system should be encouraging and not, as Mr O'Shea suggests, stifling this trend.

Nicholas Prowse,
Director,
Fleming Investment Trust Management Limited,
25 Copthall Ave, EC2

Covent Garden priorities

From Mr M.D. Varcoe-Cocks.

Sir, I doubt if many of your readers' employers provide them with free office space or facilities for their spouses, lovers or friends, so Jeremy Isaacs is hardly "limiting" first-night critics at Covent Garden by not providing them with a free ticket for their companion or hat ("The Threepenny Opera," April 28).

It remains to be seen whether this £40,000 saving will enable Royal Opera House caterers to provide patrons, who may have spent £196 for a pair of tickets, with something better than cheap disposable plastic spoons with their coffee!

M.D. Varcoe-Cocks,
2 Brackenbury Road, W6

The risk of banking on an alternative to interest rate control

From Professor David T. Llewellyn.

Sir, Samuel Brittan ("No philosopher's monetary stone," April 23), is correct in arguing that it is ultimately through interest rates that monetary and credit aggregates are controlled, and that alternative policy mechanisms cannot circumvent this.

It is a dangerous illusion to believe that, in a de-regulated financial regime, there is any simple policy technique that can improve the trade-off between interest rates and a target level of money supply.

The focal point to monetary control is demand for credit. Mr Brittan notes that proposals have been made, certainly not for the first time, to impose cash ratio requirements on banks and for the Bank of England to conduct its operations by referring to the "monetary base" (MB) supply.

The seductive logic in this proposal is that, with the MB determined by the size of the Bank of England's balance sheet, the bank can determine the size of the MB through its transactions in gilts, the foreign exchange or money markets.

In principle, therefore, the bank could operate by setting a target for the MB which is consistent – through a reserve ratio requirement – with the target level of a monetary aggregate.

However, in any country with an efficient interbank market, the technique used by the central bank always affects commercial bank behaviour via prevailing interest rates.

The imposition of a minimum cash ratio by the Bank of England would be equivalent to a call for special deposits. This would involve a bidding-up of interbank rates to the level needed to induce banks to undertake an appropriate contraction of credit. Only the route through which the required level of interest rates is attained is altered by the bank's technique.

It is ultimately the impact of interest rates on the demand for credit that is the route of monetary control.

If the interest rate necessary to achieve a given money supply target is unacceptable under the bank's current operational regime, it will be equally unacceptable under any alternative regime because that level is indeterminate of the policy regime.

D.T. Llewellyn,
Department of Economics,
Loughborough University,
Leicestershire

Markheath set to clinch £69m engineering takeover

End of Camford battle in sight

By Jane Fuller

THE BATTLE for control of Camford Engineering, the motor components maker sitting on some interesting property, seems to be all over bar the shouting.

Markheath Securities, the property company and an investment vehicle for the Australian conglomerate Adelaide Steamship, increased its stake to 48.5 per cent yesterday. It also said it had acceptances for a further 1.3 per cent.

The final offer of 330p per share, valuing Camford at £69m, closes on Friday. Before launching its bid, initially at 305p per share on March 1, it had built up a stake of nearly 30 per cent over about two years.

Markheath, which made a pre-tax profit of £11.7m in the year to March 1989, has a market value of about £67m on yesterday's closing price of 54.5p.

The battle for Camford has been a heated one. Markheath has snipped the strings on a golden parachute arrangement for Camford directors and raised its eyebrows at share purchases by Camford's associates. Camford has described the final bid as "miserable and completely inadequate," and suspected that Markheath only loved it for its property.

Yet by yesterday, Mr Paul Bobroff, Markheath's managing director, had cooled it. He was on the brink of wanting to work with those people.

In the first offer document, Mr John Spalvins, the Australian businessman who chairs Markheath, said it wanted Camford because "its underlying value and prospects were not fully reflected in the share price," which was 244p just before the bid and 210p in February.

Camford's engineering business was not the main reason for Markheath losing patience as an investor. Camford had increased its pre-tax profit from £1.9m to £5.8m in the five years to September 1989 and during the bid battle produced a forecast of more than £8m for this year.

That said, it is a low margin business (last year's turnover was £125m), although its close relationship with its three big customers – Rover, Ford and General Motors – lends security. Rover and GM each has a 5 per cent stake in the company.

Last year, 96 per cent of the sales were in the UK and this was one of Markheath's lines of attack as it pointed to the increasingly international nature of the car industry.

But the argument has centred on assets, notably a 21-acre site by Stevenage railway station which Camford is just vacating. When Camford made a planning application concerning this site in early 1988, its book value was virtually nothing. Mr Brian Cox, Camford's chairman, said it was this move which triggered the attentions of the property fraternity.

Paul Bobroff – managing director of Markheath

Now the site is valued at £25.5m and the plan is for it to be sold for redevelopment as a business park. Altogether Camford's properties, including other tracts in Bedford and near Cambridge, have been revalued at £43.42m.

With Camford confessed maidens at the property development game, Markheath had long pressed for a place on the board to bring its expertise to bear on such asset management issues. It was repeatedly rebuffed.

Apart from the revaluation, which gave pro forma net assets of 323p per share, Camford promised an annual property dividend of 15p a share for the next three years. With an engineering dividend of 8.8p, this gave a prospective yield for the current year of 9.6 per cent on the final offer price.

See Lex

B&C aims to present survival plans soon

By David Owen and Terry Dodsworth

BRITISH & Commonwealth Holdings is aiming to present its eagerly-awaited survival plan to institutions and representative bodies next week.

The financial services group said yesterday that it was "well-advanced in the preparation of proposals relating to its affairs".

At the same time the Bank of England has sought to discourage moneybrokers which have approached it from poaching staff from Exco, the moneybroking business which is widely regarded as the jewel in B&C's crown.

B&C said that it believed its proposals would be "in the best interests of all parties" and strongly recommended that "no precipitate action be taken which could damage the formation and agreement of these proposals".

The announcement appeared to be designed to relieve rising pressure from certain shareholders for the immediate winding up of the company.

A private meeting of holders of £320m worth of 7¼ per cent convertible loan stock has been arranged for next Tuesday. A number of these investors, described this week as "a small splinter group" by individuals in the B&C camp, argue that B&C's problems are likely to deepen the longer it is kept together.

It is believed that the meeting may take steps to demand immediate repayment of the stock by marshalling the 20 per cent vote required under the securities' covenants.

Among the group's prime concerns is that £164m worth of redeemable preference shares from Caledonia Investments might be redeemed before the 7¼ per cent convertibles are repaid.

The securities held by Caledonia, received in 1987 in part-payment for the sale of most of the group's 31.3 per cent stake in B&C, are guaranteed by a syndicate of banks including Barclays, Royal Bank of Scotland and Hong Kong and Shanghai Banking Corporation.

Astra offshoot fails to impress bankers and is nearing collapse

By Tim Dickson in Brussels

PRB, the Belgian munitions business owned by Astra Holdings, seemed close to collapse last night after a rescue plan tabled by management failed to impress its main bankers.

The company, which employs 1,300 people at five factories, was granted a two-week breathing space on April 19 when Astra and Société Générale de Belgique, PRB's previous owner, struck a surprise deal to try to work out a survival strategy.

This followed weeks of acrimony during which the UK group alleged that it had been misled about PRB's profit potential.

PRB yesterday formally asked a Belgian commercial court for protection from its creditors. A decision will be given on May 10. But Générale de Banque, which said it was also speaking on behalf of the other main creditor bank, Banque Indosuez Belgique, said last night that there was little possibility of it supporting the proposals.

A senior employee of the bank said he had not seen PRB's final plan but on the basis of presentations on Thursday afternoon "it does not look very exciting".

He added: "The figures look reasonable but it is impossible to tell whether they are correct or not. They will have to give us good reason to think they are not just mathematical."

As well as the financial question marks the bank was concerned that the plan as of Thursday night did not contain any provision for a new industrial partner.

"The industrial dimension is equally important for us", the employee stressed. "The contribution made by Société Générale de Belgique in this regard is very limited."

Observers last night were not ruling out new developments over the weekend, traditionally a time for surprises in Belgium, but PRB's options appear limited. The emergency credit facilities which Générale de Banque and Banque Indosuez Belgique advanced two weeks ago became repayable at midnight last night and in the absence of new developments the company will probably be put in default on Monday.

Générale de Banque hinted, meanwhile, that in the event of a liquidation it would "remind" Astra of a letter of comfort which it provided at the time of the PRB purchase last September apparently promising to monitor the company's financial affairs. "Astra can't walk away from this."

Stanley Miller share deals halted

By David Owen

TRADING IN the shares of Stanley Miller Holdings was suspended at 20p at the building contractor's request yesterday, pending clarification of the company's financial position.

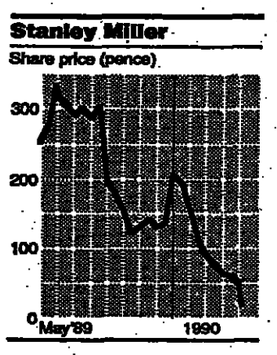
The shares had closed on Thursday at 50p. Just under a year ago, they were trading in excess of 300p.

The Newcastle upon Tyne-based company had no immediate comment on the move. Staff at its head office said that a board meeting had been scheduled for late yesterday.

In March, the company issued a statement saying that it was unaware of any reason for the movement of its share price other than general market conditions and reaction to two recent announcements.

These concerned respectively anticipated 1989 results and the intention of North Eastern Investment Trust to dispose of its 29.9 per cent stake in the group. The results statement warned that profits would fall "considerably short of" year-earlier levels.

"The directors understand that the results of the appeal against the compulsory purchase order relating to the land required for the Newcastle Quayside Development are expected to be known during the latter half of April 1990", the March statement added. Last September, the group described the £140m development (in partnership with Shearwater Property Holdings) as "the jewel in our crown."



In the six months ended June 30, 1989, the company made pre-tax profits of just £22,000 on turnover of £27.6m. Mr Colin Powell, chairman, blamed the poor performance on high interest rates and heavy losses in Scottish construction activity which culminated in the sale of the business.

In the company's 1988 accounts, amounts due to creditors are put at some £16.4m.

The company recently changed financial advisers following what Baring Brothers described as its resignation over personality issues.

Petrocon buys Doows for £1.6m

Petrocon Group has acquired Doows Engineering and Gorseline Group for a conditional aggregate consideration of up to £1.6m.

To satisfy the initial consideration and to provide other financial and working capital, Petrocon plans to raise £3.5m, net of expenses, through an eight-for-17 rights issue at 41p per share.

Doows designs and produces a range of modular jacketed pipe systems and related products. Pre-tax profits for 1988/1989 was £108,000.

Gorseline is involved in gas leakage detection, pipe surveying and pipeline machinery production. It made £157,000 pre-tax in the 53 weeks to February 3 1990.

Coloroll shares fall on fears of refinancing problems

By Clay Harris, Consumer Industries Editor

SHARES in Coloroll yesterday fell 2p to a low of 8½p after a report that the heavily indebted household products group was having difficulty in arranging a refinancing package.

Coloroll's market value last night of £18.1m compares with debts estimated at £140m. Its shares are now worth only 5 per cent of what they were a year ago. Yesterday they closed for the first time below their nominal value of 10p.

Coloroll said only that it was in "discussions with a number of parties potentially interested in participating in a refinancing of the company, although the form of refinancing has yet to be decided."

The Coloroll board will meet on Tuesday, in a regular weekly session to hear a financial update from SG Warburg, its merchant bank. Coloroll's advisers suggested last night that next week's meeting was unlikely to be decisive.

Mr Robin Hall, a non-executive director of Coloroll, said the company was meeting all interest payments as they fell due. Mr Hall, managing director of CIN Venture Managers, also denied that the Coal Board Pension Funds (of which CIN is part) had been approached with or turned down any refinancing package. The Coal Board funds own 5 per cent of Coloroll.

At the current share price, any rights issue would have to be accompanied by a scheme of arrangement, requiring court approval, to reduce the 10p nominal value of existing shares. Although this would be an added complication, it should not in itself prove an insuperable hurdle to a refinancing package.

BAT raises further $110m selling Ivey's

By Nikki Tait

BAT INDUSTRIES, the tobacco-based conglomerate, has sold Ivey's, a US retail subsidiary, to Dillard Department Stores for $110m.

Ivey's has 23 department stores in the Carolinas and Florida, and became a subsidiary when BAT acquired Marshall Fields in 1982. Earlier this year, announcing its own figures, BAT said that the chain had returned to a small profit in 1989, having made losses in the previous year.

Dillards operates a 166-strong regional group of department stores in 16 states. It said it would incorporate the Ivey's chain into existing operations. Dillards was one of the unsuccessful bidders for Saks, one of BAT's other US retail chains, which finally went to Investcorp for $1.5bn.

BAT announced plans to sell its four US retail chains as part of a broader restructuring plan, designed to ward off the threat from Sir James Goldsmith's Hoylake's consortium Goldsmith, which last month finally evaporated.

Buyers for the other two businesses, Breneurs and Marshall Fields have already been announced. In total about $2.8bn has been raised.

BAT is also on target to complete the vast bulk of the series of asset sales and disposals announced last September by mid-year. The Eurotec disposal is expected by the middle of May, and the Wiggins Teape demerger gets underway next week, when the first details are published.

Only the sale of Horton, the West German retail business, is likely to fall in the latter half of 1989.

Delyn hit by interest costs

Profits before tax of Delyn Packaging fell from £761,000 to £610,000 for the 53 weeks ended February 4. Sales increased by £2.81m to £11.76m but interest charges surged from £93,000 to £554,000.

Earnings emerged 1.32p lower at 5.01p. A final dividend of1.45p makes a 1.9p (1.45p) total.

Intercare to join USM and buys medical supplier

By Vanessa Houlder

Intercare Group, an optical and dental business, is moving from the Third Market to the USM. It is also buying the North West Ostomy Group, which distributes medical supplies to chemists and hospitals, for £565,000 and it is making an open offer to shareholders of 1.12m shares at 58p.

Intercare announced pre-tax losses of £108,000 (£200,000 profit) for the year to October 31. There was a loss per share of 1.9p (4.9p earnings).

Bid for Rbt Horne goes unconditional

The £154.1m offer by the Dutch Buhrmann-Tetterode group for Robert Horne, the UK paper merchant, has been declared unconditional.

Acceptances were received in respect of 97 per cent of ordinary and 80.3 per cent of the 'A' ordinary. Elections for the partial share alternative came in respect of 26.1 per cent of the aggregate value of the offers for the two classes.

Prosecutions ruled out in Acatos dealing probe

By Nikki Tait

THERE WOULD be no prosecutions as a result of its inquiry into possible insider trading in the shares of Acatos & Hutchinson, a small edible oils group, the Department of Trade and Industry said.

It confirmed that letters to this effect had been sent to solicitors involved in the case. This is a departure from the normal practice of the department, which normally declines to comment on the progress and outcome of insider trading inquiries unless further action is taken.

The inquiry came to light last year, and became linked to the troubled situation at Throgmorton Trust, the large investment trust, and Framlington, its fund management subsidiary.

It centred on the sale of shares by Acatos directors in March 1988, ahead of the publication in May of interim results which disappointed the City. Three executive directors and Mr Bob Seabrook, then chief executive of Throgmorton and a non-executive at Acatos, denied any wrong-doing.

The news, however, compounded the problems of intergrating the Throgmorton and Framlington fund management businesses, where management styles had already clashed.

Earlier this week, Credit Commercial de France, the French banking group, announced that it was buying a 25 per cent minority stake in Framlington from Throgmorton, with a view to lifting this to 51 per cent in a year's time.

Burmah expands further in Europe

BURMAH OIL, the chemicals and fuels group, has acquired Optimol Oelwerke Industrie, a specialist Munich-based lubricants manufacturer, for DM52m (£19m), write David Owen.

The deal is the latest in a string of European acquisitions made over the past decade by Burmah's wholly-owned Castrol subsidiary. The group said that it represents an important step in Castrol's objective of penetrating high-margin, specialist sectors of the industrial lubricants market.

The purchase is to be funded from existing facilities. The bulk of the consideration (approximately £15m) is payable on a deferred basis, with the final instalment due in 1994.

Optimol, the principal business of which is the manufacture and supply of greases to the automotive and other manufacturing industries, has an annual turnover of more than £19m and employs 175 staff. About a third of overall sales are exported to east and west Europe and North America.

Greene King buys 87 Ind Coope pubs

GREENE KING, the East Anglian brewer, is to buy 87 pubs from Ind Coope, part of the Allied Lyons group, for £15.25m, writes Philip Rawstorne.

Most of the pubs are in Kent, Surrey, and along the route of the M25 from Sussex to Oxfordshire – areas in which Ind Coope feels it is over-represented.

The cash deal, which is expected to be completed before the end of July, will increase the size of Greene King's pub estate to about 840.

Mr Timothy Bridge, managing director of Greene King, said yesterday: "We have been expanding our trading area to cover the south-east of England."

Further pub acquisitions would probably be made as the brewery gradually extended its free-trade business into new areas, he added.

Ind Coope will now expand supply of IPA to the counties south of the Thames. In return, Greene King will buy an agreed amount of Castlemaine XXXX lager from Allied.

William Cook mergers referred to the MMC

By Robert Rice, Legal Correspondent

THE ACQUISITION by William Cook, the Sheffield based steel castings group, of Lloyds (Burton) from Triplex Lloyd, the industrial engineering holding company, has been referred to the Monopolies and Mergers Commission for investigation.

Mr Nicholas Ridley, Trade and Industry Secretary, has also decided on recommendation from Sir Gordon Borrie, Director General of Fair Trading, to refer William Cook's acquisition of the Paramount Foundry at Braintree, Essex, from Lake and Elliott Industries, and the purchase of Armadale Steel Works, West Lothian, from Mr Kerry Packer's Australian National Industries.

William Cook bought Lloyds (Burton) from Triplex in January for up to £6m cash. The deal was funded by a 3-for-10 rights issue at 230p which rose £12.1m net. Triplex retained Lloyds tube spinning business.

The purchase of the Armadale foundry from North British Steel's parent company, Aurora, the Sheffield-based engineering company owned by ANI, for an undisclosed price in March prompted calls from Labour MP Mr Tam Dalyell for it to be investigated by the Office of Fair Trading.

Aurora announced in February that it was closing the foundry with the loss of 170 jobs. William Cook made it clear it was buying the West Lothian plant to remove some equipment, patterns and records. Mr Ridley has referred the acquisitions to the MMC on the grounds of their possible anti-competitive effect on the UK market for steel castings.

William Cook has been growing rapidly in recent years, both organically and by acquisition. Last year it bought George Blair, a steel founding and engineering company, for £16.5m, and Blackett Hutton, a steel castings company, for £1.5m.

It is now by far the largest steel castings producer in the UK and Lloyds (Burton), although having less than 10 per cent of the UK market, was nevertheless its principal competitor.

There is considerable dispute over the size of its market share, however, because of the significant level of imports in the steel castings market.

William Cook takes the view that although it is the largest UK producer, the level of imports is at least as great as the level of UK production and that this prevents it from building up a dominant position.

The OFT appears to believe, however, that although the level of imports is substantial (somewhere between 25 and 50 per cent of the market) it falls a long way short of William Cook's claims. It is hampered in its efforts to discover the true level of imports because there are no statistics relating to the import of steel castings as such. When steel castings are imported they are categorised in terms of the finished product, such as valves or engineering parts.

The MMC has been asked to report by the beginning of August.

Nicholas Ridley: referred acquisitions

The referral of the William Cook acquisitions adds to what appears to be a growing trend for the Government to refer all mergers with a potential anti-competitive effect to the MMC irrespective of either the size of market or the companies involved.

In April, in an official statement on competition policy, Mr John Redwood, the Corporate Affairs Minister, re-emphasised that preserving competition should be the sole criterion of monopolies and mergers policy.

His comments were seen as reflecting concern within the DTI that the Government should do more to see that this criterion was being rigourously applied, particularly in relation to small and medium sized companies.

The OFT denies that there has been a change of policy in relation to niche markets in recent months. Sir Gordon's policy has always been that if a merger produces a high concentration of market share in a particular market, the size of the market is irrelevant, it says.

The increase in the number of references in relation to niche markets is, however, adding to the considerable pressure the MMC finds itself under. Already this year there have been 15 references of which the William Cook acquisitions and the Ransomes bids for the Cushman Group and for Westwood, the garden tractor manufacturer, fall into the smaller niche market category.

Last year the MMC completed 24 reports, including reports into the supply of beer, credit cards and petrol. Many of the reports on mergers concerned large well known companies – Minorco/Consgold, GEC and Siemens/Plessey. – but it also dealt with an increasing number of smaller mergers in small markets.

Among these were Tiphook and Trailerent, which concerned competition in the trailer rental market, Michelin Tyre and National Tyre Service, concerning competition in the UK market for the distribution of replacement tyres, Atlas Copco and Desoutter Brothers, involving competition in the power tools industry, and Hillsdown Holdings and Pittar Garnar, which concerned overlap in the market for treatment of raw sheepskins prior to tanning.

Other smaller mergers included Glynwed International and JB & S Lees, which concerned the supply of tempered steel strip used in the manufacture of saws and hand-tools, and Brodene Hartmann and Lurgan Fibre, which concerned the market for moulded pulp egg packaging.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corres-ponding dividend	Total for year	Total last year
BMSS §	fin	2.5†	June 27	2.25	4.375	4
Boot (Henry)	fin	15	-	12	21	17.5
Casket	int	nil	-	1.2	-	1.2
Delyn Packaging	fin	1.45	-	1	1.9	1.45
Euromoney	int	6.5	May 30	5.5	-	16
Forward Group §	fin	nil	-	2.1	1	3.1
Guinness Mahon	int	0.8	-	0.8	-	2.1
Rock	fin	0.75	July 13	nil	0.75	nil
Spear (JW)	fin	7.5†	–	2.5	7.5	2.5

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. §USM stock. §§Unquoted stock. ♦Third market.

Henry Boot rises 37% to £5.4m

By John Thornhill

HENRY BOOT, the Sheffield-based group of builders, lifted pre-tax profits by 37 per cent as it benefited from selective property developments and increased rental values.

Pre-tax profits in 1989 advanced from £3.9m to £5.36m even though sales declined to £136.13m (£153.1m restated).

No divisional profits breakdown was published at this stage.

However the company said that its construction companies - which account for the bulk of its business - had experienced a successful trading year increasing both sales and profitability.

During the year, Boot was awarded contracts for new production facilities for British Gypsum, for two water treatment plants for Yorkshire Water and for hospital facilities in Nottingham.

Its southern division is currently involved in a contract at Queen Elizabeth hospital in Birmingham to provide a £12m psychiatric unit.

Boot was also active in Scotland. It completed the restoration of the Ca'D'Oro building in Glasgow and has now been contracted to convert the Athenaeum building into offices.

The company has a relatively slight exposure to private housebuilding, which accounts for only about 10 per cent to 15 per cent of its total business.

But this division saw its sales decline by about a third although the average selling price of houses increased.

The group's property investments benefited from increasing rents and this trend is expected to continue throughout 1990.

Mr Jamie Boot, managing director, said: "It is very difficult to see how the current year is panning out.

The housebuilding side will be difficult, the development side is still down, but the bulk of our turnover comes from building and civil engineering which is going reasonably well."

Earnings per share were strongly ahead at 66.1p (50.5p).

The board is recommending a final dividend of 15p which will bring the total to 21p (17.5p), an increase of 20 per cent.

● COMMENT

Henry Boot sounds like the kind of character that would appear in an Evelyn Waugh novel, but the wonderfully-named company manages to provide its own kind of light relief in the form of its results which were greeted in the City by a 17p rise in the share price to 453p. As other builders teeter and totter on the edge of oblivion, Henry Boot seems to march on regardless. But these buoyant figures are somewhat misleading as the previous year's figures were depressed by loss-making activities in railway engineering and overseas which have subsequently been sold. The sale of these activities helped strengthen the company's balance sheet and the company is also backed by strong assets of about 597p per share. The wide spread of Boot's activities will help shelter it in the current year but those few analysts that cover the company are not expecting much advance on last year's outcome. On a prospective multiple of around 6.5, Boot is worth looking at but it might first pay to scrutinise the financial fine print that the company only releases in its annual report.

ECONOMIC DIARY

TODAY: Eurovision Song Contest, Zagreb.

TOMORROW: London 01 telephone numbers change to 071 and 081. General election in self-proclaimed Turkish republic of North Cyprus.

MONDAY: European Community general affairs council *two-day meeting opens in* Brussels. Amazonian Indians discuss role as future custodians of rain forest, at Iquitos, Peru (until May 11). World Health Organisation annual assembly, Geneva (until May 18).

TUESDAY: Credit business (March). *Retail sales (March - final).* Cannes film festival opens (until May 20). Fauna and Flora Preservation Society statement on new rain forest initiative. Health and Safety Commission launches new code of practice for the safe use of pesticides. Report *on office work and women's* health published. International environment conference, including ministers from UK, West Germany, Poland, and senior UN officials opens, Bergen (until May 16). Nato defence ministers attend nuclear planning group meeting, Calgary, (*until May 10*).

WEDNESDAY: Centre for Policy Studies conference on The Crime Culture, RSA, London. DVLA *auctions car* registration numbers (and May 10). Chelsea Harbour. World Wide Fund for Nature statement on threat to Antartica. President F.W. de Klerk of South Africa starts tour of EC capitals seeking lifting of economic sanctions, Paris. Parliamentary assembly of the Council of Europe debates situation in East Germany, Strasbourg. EC foreign ministers attend *Europe Day, 40th anniversary* of foundation of ECSC, Brussels

THURSDAY: Figures from the Bank of England for capital issues and redemptions (April); financing of the central government borrowing requirement (first quarter); banking sector statistics (first quarter); and money stock (first quarter).

FRIDAY: Usable steel production (April). Retail prices index, and tax and price index (April). Housing starts and completions (March). New newspaper, The European, launched. International conference opens on future of Germans in Europe, Potsdam (until May 13).

LONDON TRADED OPTIONS

TURNOVER in the London traded options market yesterday returned to higher levels after two days of slow trading. Almost 40,000 contracts changed hands, with the FT-SE option being the *busiest.*

Total turnover was 39,193 contracts, of which 21,126 were calls and 18,067 puts. The FT-SE trades amounted to 17,453 contracts, comprising 6,646 calls and 10,807 puts. The busiest series was the May 2100 puts at 2,718.

Most of the trading in the FT-SE index option was done late in the day and Hoare Govett, which earlier in the week decided to pull out of trading the FT-SE index, was reported to have accounted for the bulk of the day's turnover. BZW had a big buyer of the June 220 calls.

Rolls-Royce was a busy option with 2,345 contracts traded, of *which 1,373 were calls and 972* puts. The most active series was the June 200 puts with Hoare Govett and S.G. Warburg said to have accounted for most business.

Another active option was the Euro FT-SE which traded 2,045 contracts of which 1,258 were calls and 787 puts. The June 2075 calls at 1,130 were the busiest series.

British Gas ended the day with a total of 1,992 contracts traded, of which 1,333 were calls and 659 puts. The busiest series was the June 200 calls at 1,094.

Also active was British Telecom in which 1,942 contracts *were traded, totalling 582 calls* and 1,390 puts, with the May 300 puts at 300 the liveliest.

Hanson, which has been busy most of this week, was active again and 1,483 contracts were traded — 1,408 calls and 75 puts — with the May 180 calls being the most notable.

Bear closing, particularly from S.G. Warburg, continued in the futures market which closed at a premium of 27.

Option		CALLS Jul	Oct	Jan	PUTS Jul	Oct	Jan
Alld Lyons (*428)	390	43	59	68	5½	10	13
	420	23	40	49	19	22	24
	460	8	21	29	50	50	51
ASDA (*98)	90	14	16	20	3½	6	7
	100	6½	10	15	8	9½	11
	110	3½	5	–	15	16	–
Brit. Airways (*193)	180	17	23	28	4	6	8
	200	6	13	16	14	16	17
	220	2	5½	9	32	30	30½
SmKl/Beecham (*479)	460	38	52	68	11	14	20
	500	16	30	45	30	34	37
	550	5	14	–	74	74	–
Boo[illegible] (*2[illegible])	240	26	33	37	5	7	10
	260	13	20	25	15	17	18
B.[illegible] (*[illegible]9)	300	26	35	41	4½	7	9½
	330	8	17	24	16	19	22
[illegible]ish Steel (*141)	140	6	8½	12	7½	10	10
	160	1½	2½	4	28	24	24
[illegible] (*944)	900	70	107	130	144	20	28
	950	42	80	95	35	40	45
C & Wire (*476)	460	36	56	74	15	19	24
	500	16	34	50	38	40	43
Courtaulds (*300)	297	13	22	–	19	20	–
	300	–	–	30	–	–	25
	327	4	11	–	42	42	–
Com. Union (*458)	420	54	65	81	5	10	14
	460	27	38	56	18	25	27
	500	10	18	36	44	46	47
GKN (*296)	360	50	57	70	4	11	14
	390	29	36	50	12	22	26
	420	13	21	33	27	38	40
Grand Met. (*561)	500	78	92	–	3	8	–
	550	37	55	78	15	23	25
	600	15	29	50	42	47	52
I.C.I. (*1109)	1050	100	117	157	12	23	28
	1100	65	87	125	25	40	47
	1150	34	58	–	50	67	–
Kingfisher (*270)	260	23	27	37	9	11	14
	280	13	18	27	19	23	24
	300	3½	10	18	34	35	37
Ladbroke (*276)	260	23	34	42	7	10	13
	280	11	23	30	17	19	24
Land Secur (*465)	460	22	40	52	18	24	27
	500	7	21	32	47	48	53
M & S (*191)	180	16	23	27	5	6	7½
	200	4½	12	17	15	17	18
	220	1	4	–	35	35	–
STC (*244)	240	22	30	41	13	17	19
	260	12	21	31	23	27	28
Sainsbury (*259)	240	24	35	43	3½	5	6
	260	11	20	29	11	13	15
Shell Trans. (*444)	420	43	55	68	7	11	14
	460	15	30	44	20	25	28
Storehouse (*105)	100	8½	12	15	6	8	9
	110	4	6½	9½	12	13	16
Trafalgar (*294)	280	22	33	41	9	12	15
	300	12	22	28	20	24	28

Option		CALLS Jul	Oct	Jan	PUTS Jul	Oct	Jan
Utd. Biscuits (*314)	300	28	37	45	5	8½	11
	330	10	19	29	22	25	25
Unilever (*641)	600	63	87½	104	6½	12	13½
	650	29½	54¼	79½	25½	30¼	33¼
Ultramar (*329)	300	42	52	65	4	8	11
	330	23	33	45	13	18	22

Option		May	Aug	Nov	May	Aug	Nov
Brit Aero (*513)	500	23	50	62	8	17	27
	550	6	24	37	43	48	53
BAA (*384)	360	30	40	53	3	8	12
	390	7	20	32	12	20	25
BAT Inds (*676)	650	32	66	–	4	13	–
	700	6	31	55	34	36	41
BTR (*387)	360	35	49	56	2	5	8
	390	9	28	37	9	16	23
Brit. Telecom (*259)	240	21	28	34	1	5½	6½
	260	5½	13	20	6	14	15½
Cadbury Sch (*308)	300	13	27	38	6	12	14
	200	3½	10	16	7	13	16
Guinness (*563)	550	117	137	–	1	1½	600
	67	93	112	1½	6	11	–
GEC (*196)	180	19	25	28	1	5	6
	200	3½	10	16	7	13	16
Hanson (*213)	200	14½	20	27	¼	4½	6
	220	2½	8	16	9	13½	14½
LASMO (*366)	333	37	50	–	3	7	–
	367	10	26	40	12	15	18
P. & O. (*571)	550	29	55½	66	5½	13½	21¼
	600	4¼	26½	38	32¼	38½	45½
Pilkington (*194)	180	17	20	26	2	6½	8
	200	3½	9	14	9	16	19
Polly Peck (*406)	390	21¼	35½	51¼	7½	13¼	19¼
	420	5½	20¼	35½	25¼	32½	35¼
Prudential (*196)	180	18	25	29	2	4	7
	200	5	13	18	9	11	13
Racal (*194)	180	17	25	31	2½	7	9½
	200	4½	13	21	11	16	19
R.T.Z. (*530)	500	37	57	72	2	9	15
	550	6	25	44	27	32	35
Scot. & New (*293)	280	16	27	34	2	11	15
	300	6	15	24	12	22	26
Tesco (*199)	180	21¼	28¼	33½	1	2	3½
	200	4¼	14¼	20	4½	7¼	9½
Thames Water (*133)	130	7	12	13	3	11	13
	140	3	7	8½	10	19	19
Water Hldg Pkg (*£1408)	1400	45	90	110	50	130	150
	1450	25	60	80	70	170	180

Option		May	Jul		May	Jul	
Ferranti (*41)	40	2½	5½	–	1½	3½	–
	45	¼	3	–	5	6½	–

Option		Jun	Aug	Oct	Jun	Aug	Oct
Reuters (*1123)	1100	62¼	94½	123	21¼	36¼	43
	1150	35	66¾	95	45½	60¼	66¾

Option		Jun	Sep	Dec	Jun	Sep	Dec
Abbey Nat. (*192)	180	17	23	27	3	6	7
	200	4¼	10	16	12	13	15

Option		CALLS Jun	Sep	Dec	PUTS Jun	Sep	Dec
Amstrad (*68)	60	10½	14½	17	1½	3½	5
	70	4½	8½	11½	5	7½	9½
Barclays (*532)	500	45	58	75	5	15	17
	550	13	30	45	25	37	35
Blue Circle (*209)	200	15	25	30	4	7	9
	220	5	121	20	16	20	22
British Gas (*202)	200	9	12	19	4½	10½	13
	220	2	4	10	19	24	25
Dixons (*120)	120	10	14	18	10	13	15
	130	7	10	14	15	19	23
Glaxo (*767)	750	45	77	90	17	25	34
	775	30	–	–	27	–	–
Hawker Sidd. (*619)	600	37	65	75	20	38	52
	650	11	43	42	55	75	83
Hillsdown (*237)	220	19	28	34	4½	6	8
	240	7	16	22	12	15	17
Lonrho (*230)	218	20	25	33	5	7	12
	235	8	15	23	12	18	18
Midland Bk (*289)	280	27	35	45	10	18	21
	300	12	23	33	22	28	30
R. Royce (*199)	180	23	30	34	2½	4½	7
	200	7½	17	21	8	11	13
Sears (*90)	90	4	7½	10	7	8	9
	100	1	3¼	6½	15	16	17
THF (*250)	240	12	21	28	7	11	13
	260	3	11½	18	23	24	26
Thorn EMI (*656)	650	33	42	60	15	33	38
	700	10	21	37	47	67	70
TSB (*133)	130	9	11	16	5	7	8
	140	2½	7	11	11	12	13
Vaal Reefs (*$82)	80	8	12	14	6	8	11
	90	4	8	10	14	15	16
Wellcome (*646)	600	64	–	–	10	–	–
	650	37	65	85	30	41	50

EURO FT-SE INDEX (*2161)

	2025	2075	2125	2175	2225	2275	2325	2375
CALLS								
Jun	176	136	99	69	46	30	17	10
Sep	227	–	157	–	100	–	59	–
Dec	275	–	208	–	148	–	100	–
Mar	310	–	247	–	195	–	150	–
PUTS								
Jun	16	27	40	60	85	117	153	196
Sep	38	–	63	–	102	152	–	222
Dec	50	–	72	–	111	–	156	–
Mar	59	–	82	–	111	–	155	–

FT-SE INDEX (*2163)

	2050	2100	2150	2200	2250	2300	2350	2400
CALLS								
May	137	95	58	31	15	7½	3	1½
Jun	159	118	85	58	38	24	14	9
Jul	177	140	107	78	56	39	27	18
Aug	195	158	125	97	75	–	–	–
Dec †	–	218	–	157	–	107	–	73
†	–	–	–	–	–	–	–	–
PUTS								
May	10	17	33	58	93	140	190	240
Jun	22	32	49	73	105	145	190	240
Jul	32	42	60	82	113	148	195	240
Aug	48	55	73	95	123	–	–	–
Dec †	–	–	73	–	107	–	162	–
†	–	–	–	–	–	–	–	–

May 4 Total Contracts 39,193
Calls 21,126 Puts 18,067
FT-SE Index Calls 6,646 Puts 10,807
Euro FT-SE Calls 1,258 Puts 787
*Underlying security price. † Long dated expiry mths

FT-ACTUARIES SHARE INDICES

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	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Friday May 4 1990 Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (Act at (25%))	Est. P/E Ratio (Net)	xd adj. 1990 to date	Thu May 3 Index No.	Wed May 2 Index No.	Tue May 1 Index No.	Year ago (approx) Index No.	Highs and Lows Index 1990 High	1990 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (199)	823.68	+1.0	14.15	5.50	8.56	14.32	815.86	820.03	816.15	967.63	960.80 4/1	813.49 30/4	1038.07 16/7/87	50.71 13/12/74
2	Building Materials (27)	1009.90	+1.3	15.72	5.88	7.84	16.86	996.49	999.70	994.59	1215.59	1188.21 3/1	989.61 30/4	1381.08 16/7/87	44.27 11/12/74
3	Contracting, Construction (36)	1283.46	+0.4	18.69	6.39	6.99	31.00	1278.79	1280.64	1278.36	1721.63	1621.44 4/1	1278.36 1/5	1951.50 16/7/87	71.48 2/12/74
4	Electricals (10)	2346.80	+0.6	12.12	5.71	10.15	39.90	2332.46	2354.64	2341.60	2878.74	2751.15 4/1	2317.73 6/3	3040.80 8/9/89	84.71 25/6/62
5	Electronics (29)	1749.48	+0.6	10.31	4.24	12.57	18.56	1738.75	1749.88	1734.70	2238.53	2044.72 9/1	1717.35 30/4	2308.22 19/5/89	1229.01 8/10/85
6	Engineering-Aerospace (8)	447.32	+1.3	14.56	5.20	8.20	9.03	441.48	448.22	445.51	0.00	495.50 4/1	409.55 6/3	495.50 4/1/90	409.55 6/3/90
7	Engineering-General (43)	456.26	+0.9	12.47	5.49	9.69	8.17	452.04	451.61	449.88	0.00	502.82 4/1	448.31 30/4	502.82 4/1/90	448.31 30/4/90
8	*Metals and Metal Forming* (6)	467.35	+0.3	25.18	6.67	4.48	0.53	466.16	464.50	462.83	543.16	515.57 4/1	457.99 27/4	596.67 9/10/87	49.65 6/1/75
9	Motors (16)	338.72	+1.0	16.46	6.65	7.10	9.47	335.37	336.18	335.34	316.73	403.90 4/1	333.92 30/4	411.42 13/10/87	19.91 6/1/75
10	Other Industrial Materials (24)	1491.19	+1.3	12.14	5.34	9.56	31.01	1472.55	1484.91	1480.16	1615.76	1774.64 3/1	1472.55 3/5	1881.53 18/8/89	277.55 15/1/81
21	CONSUMER GROUP (178)	1172.48	+0.7	10.10	4.19	12.31	10.37	1164.13	1165.94	1158.49	1215.79	1357.03 3/1	1151.43 30/4	1417.92 4/9/89	61.41 13/12/74
22	Brewers and Distillers (21)	1383.36	+1.0	10.30	3.98	11.78	12.62	1370.14	1373.05	1375.27	1346.60	1573.41 9/1	1369.31 6/3	1583.71 5/9/89	69.47 13/12/74
25	*Food Manufacturing* (20)	1019.09	+0.5	10.99	4.62	11.28	14.80	1014.38	1015.53	1005.46	1045.69	1184.41 3/1	1001.05 30/4	1220.42 4/9/89	59.67 11/12/74
26	Food Retailing (16)	2221.94	+0.9	9.81	3.54	13.15	15.05	2201.22	2198.30	2190.17	2172.82	2346.16 4/1	2188.04 30/4	2722.30 5/9/89	54.25 11/12/74
27	Health and Household (13)	2425.78	+0.1	7.12	2.87	16.72	17.14	2423.23	2435.17	2413.96	2288.07	2795.49 4/1	2365.35 6/3	2795.49 4/1/90	175.38 28/5/80
29	Leisure (32)	1309.15	+0.9	10.77	4.53	11.44	11.41	1297.51	1291.79	1275.99	1656.42	1717.22 9/1	1266.85 30/4	1845.77 8/9/89	54.83 9/1/75
31	Packaging & Paper (13)	544.91	+0.4	13.36	6.22	9.60	11.66	542.90	539.06	537.51	575.12	599.22 11/1	534.25 30/4	739.48 16/7/87	43.46 6/1/75
32	*Publishing & Printing* (16)	3127.59	+1.0	10.76	5.74	11.74	50.81	3095.77	3092.70	3060.34	3578.65	3853.61 4/1	3029.15 30/4	5070.66 5/10/87	55.08 6/1/75
34	Stores (35)	711.97	+1.3	12.40	5.16	10.43	2.12	703.00	705.63	701.02	794.92	844.66 3/1	690.43 27/4	1160.58 29/7/87	52.63 6/1/75
35	Textiles (12)	451.37	+0.6	14.91	7.89	8.44	3.77	448.86	450.98	449.92	539.89	554.37 4/1	447.50 30/4	914.52 2/10/87	62.66 11/12/74
40	OTHER GROUPS (105)	1082.24	+0.9	11.72	5.27	10.21	9.12	1073.09	1072.83	1066.74	1084.25	1233.52 3/1	1059.71 30/4	1233.52 3/1/90	58.63 6/1/75
41	Agencies (17)	1559.29	+1.7	6.29	2.52	19.20	12.89	1532.70	1504.23	1484.78	1329.47	1628.96 4/4	1471.39 30/4	1795.57 17/7/87	870.35 4/12/87
42	Chemicals (23)	1177.46	+0.6	12.14	5.60	9.64	25.08	1170.49	1163.60	1154.92	1235.00	1295.87 5/1	1138.16 27/4	1545.46 5/10/87	71.20 1/12/74
43	Conglomerates (14)	1503.59	+0.4	10.68	6.50	11.01	10.73	1497.48	1504.30	1494.41	1580.94	1710.25 3/1	1480.08 30/4	1819.46 11/8/89	975.19 10/11/87
44	Transport (13)	2107.70	+0.3	11.25	4.67	11.28	25.71	2101.29	2100.85	2094.69	2426.13	2458.00 4/1	2093.96 30/4	2554.69 12/7/89	90.80 29/6/62
46	Telephone Networks(2)	1068.11	+1.7	11.89	4.80	10.94	0.00	1049.90	1043.22	1032.70	1115.91	1290.72 3/1	1019.16 30/4	1290.72 3/1/90	517.92 30/11/84
47	Water(10)	1853.73	+1.1	18.80	7.31	5.89	0.00	1832.91	1838.51	1820.20	0.00	2079.08 16/2	1820.20 1/5	2079.08 16/2/90	1820.20 1/5/90
48	*Miscellaneous* (26)	1682.48	+0.3	12.35	5.03	9.24	18.48	1678.16	1703.91	1714.60	1461.20	1981.35 3/1	1678.16 3/5	2087.06 11/7/89	60.39 6/7/75
49	INDUSTRIAL GROUP (482)	1070.45	+0.8	11.61	4.85	10.49	11.59	1061.75	1063.73	1057.61	1135.94	1234.94 3/1	1051.74 30/4	1273.71 5/9/89	59.01 13/12/74
51	Oil & Gas (18)	2212.59	+2.0	12.25	5.45	10.78	36.63	2168.87	2155.49	2127.09	2005.96	2475.71 2/1	2111.34 30/4	2475.71 2/1/90	87.23 29/5/62
59	500 SHARE INDEX (500)	1165.45	+1.0	11.70	4.94	10.53	13.59	1154.04	1154.87	1147.02	1210.08	1338.65 3/1	1140.35 30/4	1369.88 16/7/87	63.49 13/12/74
61	FINANCIAL GROUP (118)	760.65	+1.8	–	6.00	–	18.31	747.36	748.68	739.56	747.64	869.67 3/1	735.74 30/4	896.67 13/10/87	55.88 13/12/74
62	Banks (9)	818.28	+3.0	20.14	6.57	6.50	24.92	794.82	797.53	777.39	737.77	918.30 2/2	766.65 27/4	918.30 2/2/90	62.44 12/12/74
65	Insurance (Life) (7)	1254.42	+2.0	–	5.85	–	36.94	1229.98	1229.89	1220.17	1074.96	1484.67 3/1	1220.17 1/5	1484.67 3/1/90	44.88 2/1/75
66	Insurance (Composite) (7)	637.96	+1.7	–	6.48	–	19.43	627.22	628.09	624.48	594.82	768.11 0/0	622.62 30/4	768.11 29/12/89	43.96 13/12/74
67	Insurance (Brokers) (7)	1055.40	+1.4	8.13	6.17	16.23	27.41	1041.18	1041.97	1035.75	947.66	1194.74 4/1	1016.19 22/3	1399.56 17/7/87	65.86 16/12/74
68	*Merchant Banks* (7)	417.48	+2.0	–	4.56	–	4.85	409.48	407.46	406.85	332.04	502.02 8/2	403.22 30/4	547.59 12/10/87	31.21 7/1/75
69	Property (48)	1055.23	–0.3	8.38	4.26	15.20	8.07	1058.60	1061.20	1062.15	1337.59	1242.53 4/1	1055.23 4/5	1398.87 5/9/89	56.01 20/4/65
70	Other Financial (25)	297.43	+0.8	15.00	7.51	8.80	4.23	295.22	294.75	293.06	372.17	350.59 4/1	291.32 30/4	603.48 16/7/87	33.29 17/12/74
71	Investment Trusts (67)	1139.28	+0.7	–	3.36	–	9.53	1130.83	1128.03	1121.22	1137.36	1323.81 4/1	1113.92 30/4	1323.81 4/1/90	71.12 13/12/74
91	Overseas Traders (5)	1291.61	+1.4	10.22	7.07	11.82	42.87	1273.58	1282.38	1281.91	1377.51	1614.04 3/1	1269.70 30/4	1614.04 3/1/90	97.37 6/1/75
99	ALL-SHARE INDEX (682)	1067.95	+1.1	–	5.06	–	14.48	1056.31	1057.17	1049.21	1097.29	1226.83 3/1	1043.16 30/4	1238.57 16/7/87	61.92 13/12/74
		Index No.	Day's Change	Day's High (a)	Day's Low (b)	May 3	May 2	May 1	Apr 30	Apr 27	Year ago				
	FT-SE 100 SHARE INDEX‡	2162.2	+27.3	2168.0	2146.4	2134.9	2137.6	2117.9	2103.4	2106.6	2132.8	2463.7 3/1	1782.8 3/1	2463.7 3/1/90	986.9 23/7/84

FIXED INTEREST

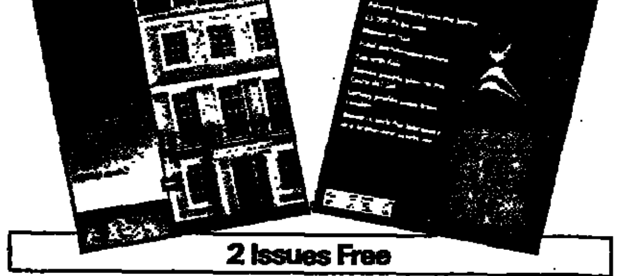
	PRICE INDICES	Fri May 4	Day's change %	Thu May 3	xd adj. today	xd adj. 1990 to date
	British Government					
1	Up to 5 years	112.74	+0.57	112.28	0.18	4.60
2	5-15 years	115.98	+1.61	114.14	–	4.96
3	Over 15 years	120.21	+2.20	117.62	–	4.16
4	Irredeemables	134.95	+2.87	131.19	–	6.12
5	*All stocks*	117.03	+1.33	115.56	0.07	4.80
	Index-Linked					
6	Up to 5 years	142.68	+0.40	142.12	–	1.49
7	Over 5 years	134.89	+0.99	133.56	–	1.38
8	*All stocks*	135.36	+0.95	134.10	–	1.38
9	Debentures & Loans	93.27	–0.74	93.97	–	3.30
10	Preference	73.86	–0.39	74.15	–	2.07

	AVERAGE GROSS REDEMPTION YIELDS		Fri May 4	Thu May 3	Year ago (approx.)	1990 High	1990 Low
	British Government						
1	Low	5 years	12.11	12.24	9.60	12.36 2/5	10.16 2/1
2	Coupons	15 years	11.39	11.71	9.20	11.94 30/4	9.58 2/1
3		25 years	11.27	11.56	9.03	11.85 30/4	9.52 2/1
4	Medium	5 years	13.18	13.42	10.70	13.58 2/5	11.03 2/1
5	Coupons	15 years	11.92	12.22	9.64	12.45 27/4	9.97 2/1
6		25 years	11.43	11.74	9.20	11.98 27/4	9.65 2/1
7	High	5 years	13.29	13.51	10.81	13.67 2/5	11.17 2/1
8	Coupons	15 years	12.23	12.52	9.86	12.76 27/4	10.17 2/1
9		25 years	11.70	12.02	9.38	12.27 27/4	9.78 2/1
10	Irredeemables†		11.31	11.63	9.01	11.83 30/4	9.66 4/1
	Index-Linked						
11	Inflation rate 5%	Up to 5yrs.	4.58	4.70	3.53	4.97 30/4	3.83 5/1
12	Inflation rate 5%	Over 5 yrs.	4.10	4.16	3.58	4.31 30/4	3.60 4/1
13	Inflation rate 10%	Up to 5 yrs.	3.60	3.69	2.61	3.95 30/4	2.95 2/1
14	Inflation rate 10%	Over 5 yrs.	3.93	3.99	3.41	4.13 30/4	3.43 4/1
15	Debs &	5 years	14.86	16.11	12.23	16.70 30/4	13.01 15/1
16	Loans	15 years	13.90	13.99	11.45	14.48 26/4	12.27 12/1
17		25 years	13.89	13.71	11.08	13.89 4/5	11.99 2/1
18	Preference†		12.57	12.52	10.18	12.58 2/5	10.87 2/1

‡Opening index 2146.4; 9 am 2157.5; 10 am 2160.3; 11 am 2167.2; Noon 2165.5; 1 pm 2160.9; 2 pm 2164.0; 3 pm 2162.2; 4 pm 2159.6; 4.10 pm 2160.5; (a) 10.50am (b) 8.30am

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Engineering - Aerospace	29/12/89	486.00	*Other Industrial Materials*	31/12/80	287.41	*Food Retailing*	29/12/67	114.13
Engineering - General	29/12/89	486.00	Health/Household Products	30/12/77	261.77	Insurance Brokers	29/12/67	96.67
Water	29/12/89	1968.45	Other Groups	31/12/74	63.75	All Other	10/4/62	100.00
Agencies	31/12/86	1114.07	Overseas Traders	31/12/74	100.00	British Government	31/12/75	100.00
Conglomerates	31/12/86	1114.07	Industrial Group	31/12/70	128.20	Do. Index-linked	30/4/82	100.00
Telephone Networks	30/11/84	517.92	Other Financial	31/12/70	128.06	Debs & Loans	31/12/77	100.00
Electronics	30/12/83	1646.65	Food Manufacturing	29/12/67	114.13	Preference	31/12/77	76.72
						FT-SE 100 Index	30/12/83	1000.00

† Flat yield. A list of constituents is available from the Publishers, The Financial Times, Number One, Southwark Bridge, London SE1 9HL, price 15p, by post 35p.
CONSTITUENT CHANGE: Horne (Robert) NV 'A' (31) has been deleted and replaced by Nestor-BNA (27).NAME CHANGE; First Scottish American Trust (71) has become Dunedin Income Growth Fund.



Rewe offers to acquire stores of troubled Co op

By Andrew Fisher in Frankfurt

REWE ZENTRAL, West Germany's biggest food retailing group, has made an offer for the 1,950 stores of Co op, which used to be one of the country's foremost food retailers before collapsing into heavy losses.

The company put no price on its offer, which Co op is studying. A final decision will be made at the supervisory board meeting on May 14.

Co op has held talks with other concerns, but said Rewe's offer was the most comprehensive.

Co op plunged into difficulties at the end of 1988 when an expansion produced a mountain of debt and a highly confusing management and ownership structure.

The majority of its shares are held by Deutsche Genossenschaftsbank (DG Bank) and Bank für Gemeinwirtschaft (BfG). In October, creditor banks agreed to write off DM1.7bn ($1.01bn) of debt, cut Co op's share capital and inject DM350m of new funds through a capital increase guaranteed by DG Bank and BfG.

The two German banks were left with most of the shares after the others turned down their rights this January. Rewe said its offer was actually made to DG Bank as the biggest creditor.

Co op said yesterday its operating loss totalled about DM250m last year, down from DM370m in 1988. This year it hoped to make a DM150m profit.

Rewe, which has an annual turnover of about DM20bn and functions broadly as a co-operative, said it did not intend to take over Co op's debt. Co op, with a turnover of DM11bn last year, employs 46,000 people at its supermarkets, do-it-yourself and other outlets.

Rewe will sell any newly acquired Co op stores in areas like Frankfurt, where it is already represented, giving preference to independent store groupings like Spar and Edeka.

De Benedetti tightens Amef grip

By Haig Simonian in Milan

THE PENDULUM in the battle for Mondadori, Italy's leading publisher, swung further in Mr Carlo De Benedetti's favour yesterday following the twice-postponed shareholders' meeting of Amef, the holding company which owns a bare majority of Mondadori's ordinary shares.

After changes to Amef's articles, which give shareholders boardroom representation in proportion to their stakes, the new board elected yesterday substantially strengthens Mr De Benedetti's hand while weakening that of Mr Silvio Berlusconi, the Italian media entrepreneur.

Mr De Benedetti's CIR holding company now has three Amef board members, alongside three appointed by the court, which has sequestered a key share package owned by the Formenton family. The disputed ownership of the Formentons' stock first triggered the Mondadori battle.

Although shareholders linked with Mr Berlusconi still hold the balance on the 12-member board, CIR is encouraged by the fact that the court-appointed chairman carries a double vote in the event of a split.

"Today, we got what we worked for for five months," said Mr Corrado Passera, one of Mr De Benedetti's key lieutenants.

The changes at Amef will considerably strengthen CIR's position in the continuing talks over a Mondadori settlement while putting further pressure on Mr Berlusconi.

Two potential solutions are being discussed at Mediobanca, the Milan-based merchant bank which has taken a central role in reconciling the two parties.

The first involves a split of Mondadori's interests, with Mr De Benedetti taking La Repubblica and L'Espresso, Italy's top-selling daily newspaper and weekly news magazine, as well as a chain of regional papers.

In return Mr Berlusconi would gain the group's publishing and advertising activities.

The second option is for Mr Berlusconi to withdraw completely from the group. However, neither solution has so far proved acceptable, with the size of payments involved being the obstacle.

Norton registers sharp profit fall in first quarter

By Martin Dickson in New York

NORTON, the US abrasives manufacturer which recently accepted a $2bn friendly takeover bid from Saint-Gobain of France, yesterday reported a 34 per cent drop in net income for the first-quarter.

Net income from continuing operations fell to $17.2m or 89 cents a share on sales of $414m. This compares with earnings of $26.3m or $1.25 on sales of $388.2m in the same period last year.

The company remains optimistic about the second half.

BTR, the British company which had its hostile bid for Norton topped by Saint-Gobain, yesterday extended its offer until May 25, in case the French deal should hit unexpected problems.

Two legal firms to merge ahead of French reforms

By William Dawkins in Paris

TWO medium-sized Parisian legal firms have announced plans to merge, in what is claimed to be the first significant joint venture to anticipate a radical reform of the French legal profession, due to take effect next year.

The two firms are S.G. Archibald, a 15-partner US legal counsel, and Courtois Bouloy Lebel, a firm of advocates with 10 associates. Mr Eugene Forcione, a partner in Archibald, said combined annual fee income would be about FFr120m ($21.2m), putting the group among the top three locally owned legal firms in Paris.

The merger will take place after the introduction of reforms, being debated in the current session of the French Parliament. The proposals were put forward by Mr Pierre Arpaillange, the Justice Minister, as a step to making the French legal profession more competitive against the big US and British practices which have invaded a French market typically supplied by sole practitioners.

Archibald and Courtois believe competition will be further intensified by an EC directive making it easier for lawyers to offer services in other Community countries.

The most important reform, adopted as government policy by the Council of Ministers yesterday, would scrap the division between legal counsels, who mostly work in commercial law and may not appear in court, and advocates, who plead in court as well as give advice.

Albert Frère: an avid acquisitions merchant

Frère wins top job at Petrofina

By Lucy Kellaway in Brussels

MR Albert Frère, one of Belgium's most powerful businessmen, has succeeded in his long-running ambition to be nominated chairman of Petrofina, the country's big oil group.

The new appointment could mean that Petrofina, which has previously concentrated on internal investment for the bulk of its growth, could become more acquisitive. The company has already started on a policy of openness, promoting younger and more international managers, coveting the image of a big international oil company.

Some analysts expect that Petrofina will use its cash flow more actively, although others doubt whether there will be any marked change, noting that at 64 Mr Frère is not likely to attempt anything too radical.

Mr Frère, a steelmaker from the depressed town of Charleroi, is an avid acquisitions merchant best known for the transformation of Groupe Brussels Lambert into a holding company with large stakes in big international industrial and financial companies.

For a decade he has wanted to be chairman of Petrofina, a task that initially met the firm resistance of the company's died-in-the-wool oil men, who assumed that the top jobs would continue to be given to insiders rather than financiers from the outside.

Mr Frère's interest in Petrofina started in the early 1980s when GBL started amassing a large stake. Following an elaborate share swap with Société Générale de Belgique, another large shareholder in Petrofina, GBL emerged with a 25 per cent stake to become the group's most powerful investor.

Mr Frère will replace the retiring Mr Jean-Pierre Amory, who will become honorary president.

Viscount Davignon, president of La Générale, will also become a member of the board.

Court delays ruling on Bell stake

By Kevin Brown in Sydney

AUSTRALIA'S National Companies and Securities Commission failed yesterday to win an interim injunction preventing the registration of a 14.9 per cent stake in Mr Alan Bond's Bell Group by Mr Robert Maxwell, the UK newspaper publisher.

A federal court in Western Australia delayed judgment on the commission's application until next Wednesday, leaving Mr Maxwell several days to register the shares if he wishes.

Mr Arthur McHugh, NCSC executive director, said the commission would drop its application if the shares were registered before Wednesday. However, it would ask the court to prevent Mr Maxwell disposing of the shares until an investigation of recent dealings in Bell was completed.

Mr McHugh said the NCSC could also return to court seeking an order vesting the shares in the commission for resale in the market.

He added the NCSC did not object to Mr Maxwell, owner of Mirror Group Newspapers in the UK, whose target is thought to be Bell Group's profitable West Australian newspaper.

However, the commission opposes his acquisition of the shares because, it claims, they are part of a parcel acquired in breach of Australia's takeover code by Mr David Aspinall, a director of Bell Group, who bought 16.57 per cent of Bell in the market last week.

The commission says Mr Bell is an associate of Mr Bond's Bond Corporation Holdings, which owns 74.5 per cent of Bell. Under the code, shareholders owning more than 19.9 per cent of a company cannot acquire more than a further 3 per cent without launching a full bid.

Mr Aspinall denies the code was breached. Mr Stephen Archer, representing him in court in Perth yesterday, said the NCSC appeared to have proceeded with "indecent haste" on the basis that a breach had been committed.

"We wish to make it entirely clear that there is no such admission, but that there is an express denial that there has been a breach of the code," Mr Archer said.

BSN lifts Italian pasta profile

By William Dawkins in Paris

BSN, the French food group, yesterday took a majority stake in Pasta Agnesi, an Italian pasta maker, in partnership with the Agnelli family.

The deal lifts their combined stake in Agnesi, which has a L100bn ($81m) turnover and holds 4 per cent of the L2,500bn Italian pasta market, from 35 per cent to a controlling 55 per cent.

BSN, already Europe's second largest pasta supplier, is disclosing no price for the purchase, from three private shareholders.

It nearly doubles the French company's 5 per cent share of the country's highly fragmented pasta market to 9 per cent.

BSN said it had always appeared indispensable to the group to have a significant part of the Italian pasta market and to be able use its distribution networks to export an Italian brand across the whole of Europe.

BSN and Groupe Agnelli have been building a stake in Agnesi over the past four years through Sifit, a jointly owned holding company. This is one of several links between the pair, which exchanged share holdings in each other – through another Agnelli family holding company – in 1987.

The addition of Agnesi to Ponte, BSN's existing Italian pasta company, makes the French group Italy's second largest single pasta producer after Barilla, an independent company which holds 20 per cent of the market, and ahead of Buitoni, a Nestlé offshoot which has a 5 per cent market share.

Genentech merger 'still on course'

By Louise Kehoe in San Francisco

A SECURITIES and Exchange Commission probe of suspected insider trading in the stock of Genentech, the US biotechnology company, immediately before its announcement of plans to merge with Roche Holding of Switzerland, will have no effect on the merger, officials of the two companies said yesterday.

An anti-trust investigation by the Federal Trade Commission is also under way, however, and the companies cannot predict when that will be completed. Until the FTC approves the merger it cannot be consummated.

Roche's planned acquisition of a 60 per cent stake in Genentech will be presented to Genentech stockholders at a June 8 meeting.

Proxy materials issued on Wednesday revealed that the SEC had initiated an inquiry into suspicious trading on the Pacific Stock Exchange.

Genentech said a focus of the inquiry involved "communications between the wife of Mr G. Kirk Raab, Genentech president and chief executive, and a member of her family prior to the public announcement [in February] of the merger."

Genentech officials then boasted about the elaborate security measures they had instituted to ensure the secrecy of the proposed merger.

It now appears that Mr Raab told his wife about the merger plans and that she passed the information on to somebody who purchased stock options. On the day of the announcement some 3,000 contracts were traded on the Pacific Stock Exchange.

These are believed to have included call options purchased for $10,000 before the announcement, and subsequently valued at $275,000.

Genentech said Mr Raab "exercised proper care" in keeping information about the merger confidential and it did not believe he was the subject of any investigation.

Feldt hired as adviser to Volvo chief

MR Kjell-Olof Feldt, the former Swedish Finance Minister, has been hired as an adviser to Mr Pehr Gyllenhammar, Volvo chairman, and the Swedish industrial group's executive committee, writes John Burton in Stockholm.

The move brings together the two most respected figures in Sweden. A survey published this week asked the public whom they would choose to head their ideal government; Mr Gyllenhammar and Mr Feldt were the first and second choices respectively.

The collaboration mirrors political developments as Sweden's Social Democratic Government, in which Mr Feldt served until February, forges closer co-operation with the Liberal Party, whose prominent supporters include Mr Gyllenhammar.

Mr Feldt will advise Volvo on economic and financial matters, especially international issues. He will also join the company's 15-member international advisory board which includes Count Wilhelm Wachtmeister, the former Swedish ambassador to the US.

Since resigning from Government in a dispute over economic policy, Mr Feldt has been appointed as guest lecturer in economics at the University of Uppsala.

Mr Feldt was the chief architect of the socialist government's shift towards a market-oriented economic policy in the 1980s, an achievement that won him plaudits from the country's industrial leaders.

Klöckner in DM540m rights plan

By Andrew Fisher

KLOECKNER-WERKE, the West German steel and engineering company, plans to raise DM540m ($321m) through a one-for-two rights issue at DM180 a share, to bring its capital up to the level of other companies in its sectors and increase financial flexibility.

Mr Herbert Gienow, chief executive, said at yesterday's annual meeting that internal growth would be augmented through the purchase of new companies.

Klöckner has built up its engineering and plastics operations to a level where they now employ 60 per cent of the workforce. In the mid-1990s they should produce a turnover of about DM7bn, twice the present level.

In the financial year to September 3, 1989, Klöckner lifted operating profits to DM375m from DM80m a year earlier, having recovered from a level of only DM1m the year before when it was hit by the bankruptcy of the Maxhütte steel plant in Bavaria in which it had a near-50 per cent stake. Total turnover was DM7.2bn against DM6.1bn.

Mr Gienow said the operating result rose particularly strongly in steel, with a fourfold jump to more than DM290m from DM70m. He was optimistic about this year's outlook and said the EC steel industry was on the move again. Steel consumption remained high worldwide and was again likely to show an increase in Germany. Mechanical engineering and plastics would expand internally and through additions.

Group profits continued to rise in the first half of 1989-90 and dividends, not paid for 15 years, will be resumed this year.

Mr Gienow said shareholders would benefit from tax-free distributions as a result of past capital write-downs, although not in the first year of renewed payouts.

WORLD COMMODITIES PRICES

WEEKLY PRICE CHANGES	Latest prices	Change on week	Year ago	High 1990	Low 1990
Gold per troy oz.	$370.25	-0.25	$377.25	$420.25	$368.00
Silver Per troy oz	306.95p	+3.05	339.70p	323.50p	302.15p
Aluminium 99.7% (cash)	$1490	-15	$2300	$1665	$1380.0
Copper Grade A (cash)	£1632.5	+7	£1694	£1701	£1304.50
Lead(cash)	£488	+2	£377	£790	£413.0
Nickel (cash)	$9125	+25	$15150	$10225	$8075
Zinc SHG (cash)	$1756	-1.5	$1615	$1772.5	$1250
Tin (cash)	$6412.5	-7.5	£10465	$7020	$6150
Cocoa Futures (Jul)	£872	+26	£711	£894	£622
Coffee Futures (Jul)	£655	-17	£1109	£757	£557
Sugar (LDP Raw)	$374	-9.00	$298	$386.4	$320.0
Barley Futures (Sep)	£112.45	+3.30	£102.90	£113.85	£103.45
Wheat Futures (Jun)	£122	+3.25	£118.4	£119.60	£111.00
Cotton Outlook A Index	84.00c	-0.10	74.65c	84.10c	73.70c
Wool (64s Super)	557p	-5.00	618p	580p	548p
Oil (Brent Blend)	$16.475z	-0.75	$19.25	$21.975	$17.125

Per tonne unless otherwise stated. †Unquoted. p-pence/kg. c-cents lb. z-June

COCOA – London FOX £/tonne

	Close	Previous	High/Low
May	854	847	853 846
Jul	872	867	873 863
Sep	886	882	889 880
Dec	905	900	905 900
Mar	923	916	923 915
May	939	930	937 930
Jul	951	944	954 950

Turnover: 1516 (1387) lots of 10 tonnes
ICCO indicator prices (SDRs per tonne). Daily price for May 3 1044.71 (1041.90) 10 day average for May 4 1041.15 (1042.63)

COFFEE – London FOX £/tonne

	Close	Previous	High/Low
May	636	643	645 637
Jul	655	658	665 653
Sep	667	669	676 666
Nov	682	682	688 680
Jan	696	691	698 691
Mar	710	704	715 704
May	727	718	729 724

turnover: 2405 (3762) lots of 5 tonnes
ICO indicator prices (US cents per pound) for May 3: Comp. daily 72.21 (72.17). 15 day average 74.52 (74.80)

POTATOES – BFE £/tonne

	Close	Previous	High/Low
May	245.0	239.0	235.0 228.0
Nov	135.0	132.0	130.0 124.0
Apr	191.0	200.0	195.0 184.0

Turnover 414 (358) lots of 40 tonnes.

SOYABEAN MEAL – BFE £/tonne

	Close	Previous	High/Low
Aug	128.00	131.00	130.50 128.00
Oct	130.50	132.60	130.50

Turnover 45 (26) lots of 20 tonnes.

FREIGHT FUTURES – BFE $10/index point

	Close	Previous	High/Low
May	1329	1288	1321 1300
Jun	1216	1176	1220 1205
Jul	1128	1104	1135 1125
Oct	1225	1205	1226 1205
BFI	1340	1345	

Turnover 112 (176)

GRAINS – BFE £/tonne

Wheat	Close	Previous	High/Low
May	120.50	119.90	120.50 119.75
Jun	122.00	121.35	122.00 121.25
Nov	117.60	117.50	117.60 117.00
Jan	120.85	120.75	120.75 120.60
Mar	124.20	124.20	124.30 124.00
May	127.00	127.00	127.10 127.00
Barley	**Close**	**Previous**	**High/Low**
May	105.00	105.00	105.00
Sep	112.45	112.45	112.45 112.25
Nov	116.30	116.40	116.30 116.15
Jan	119.70	119.80	119.80 119.60
Mar	122.45	122.50	122.55

Turnover: Wheat 458 (353), Barley 73 (136). Turnover lots of 100 tonnes.

PIGS – BFE (Cash Settlement) p/kg

	Close	Previous	High/Low
Jun	124.5		125.0

Turnover 4 (12) lots of 3,250 kg

London Markets

SPOT MARKETS

Crude oil (per barrel FOB)		+ or -
Dubai	$14.13-4.20x	-0.26
Brent Blend	$16.45-6.50x	-0.275
W.T.I. (1 pm est)	$18.08-8.10x	-0.80
Oil products (NWE prompt delivery per tonne CIF)		+ or -
Premium Gasoline	$214-216	-2
Gas Oil	$158-159	-1
Heavy Fuel Oil	$80-82	-1
Naphtha	$150-151	-6
Petroleum Argus Estimates		
Other		+ or -
Gold (per troy oz)❖	$370.25	-0.25
Silver (per troy oz)❖	506c	+4.00
Platinum (per troy oz)	$484.75	+3.90
Palladium (per troy oz)	$120.60	+2.10
Aluminium (free market)	$1490	
Copper (US Producer)	125c	-0.50
Lead (US Producer)	45c	
Nickel (free market)	425c	-10.0
Tin (Kuala Lumpur market)	17.08r	-0.12
Tin (New York)	301c	
Zinc (US Prime Western)	87c	-0.25
Cattle (live weight)†	107.95p	-3.03*
Sheep (dead weight)†	195.84p	-33.3*
Pigs (live weight)†	93.39p	-14.4*
London daily sugar (raw)	$374.0t	-3.00
London daily sugar (white)	$488.5t	-2.50
Tate and Lyle export price	£343.00	-2.50
Barley (English feed)	£120.5u	-0.50
Maize (US No. 3 yellow)	£142t	
Wheat (US Dark Northern)	£125.00y	+6.75
Rubber (Jun)♥	58.00p	+0.75
Rubber (Jul)♥	58.50p	+0.75
Rubber (KL RSS No 1 May)	231.0m	+0.50
Coconut oil (Philippines)§	$350v	
Palm Oil (Malaysian)§	$272.5y	+10.0
Copra (Philippines)§	$240y	
Soyabeans (US)	£172u	
Cotton "A" index	84.00c	
Wooltops (64s Super)	557p	

£ a tonne unless otherwise stated. p-pence/kg. c-cents/lb. r-ringgit/kg. x-Jun. t-May/Jun. u-Oct/Dec. v-May/Jul. w-Apr/May. z-Jun/Jul y-May. †Meat Commission average fatstock prices. * change from a week ago. ♥London physical market. §CIF Rotterdam. ❖ Bullion market close. m-Malaysian cents/kg.

SUGAR – London FOX ($ per tonne)

Raw	Close	Previous	High/Low
Aug	325.40	351.40	352.00 323.60
Oct	323.00	347.60	348.40 320.60
Oct	304.40	323.00	323.00 322.00
White	**Close**	**Previous**	**High/Low**
Aug	428.5	448.8	448.5 424.5
Oct	393.5	411.0	411.5 390.0
Dec	387.5	402.0	401.5 385.0
Mar	383.5	398.5	397.5 379.0
May	382.5	396.5	395.0 386.0
Aug	380.5	393.6	392.0 392.0
Oct	368.0	382.0	380.0 375.0

Turnover: Raw 7580 (2447)lots of 50 tonnes. White 3071 (1000)
Paris- White (FFr per tonne): Aug 2430, Oct 2245, Dec 2201, Mar 2180, May 2167

CRUDE OIL – IPE $/barrel

	Latest	Previous	High/Low
Jun	16.55	16.50	16.60 16.33
Jul	17.02	17.18	17.18 16.83
Aug	17.36	17.50	17.40 17.19
IPE Index	17.07	17.32	

Turnover: 13559 (11364)

GAS OIL – IPE $/tonne

	Latest	Previous	High/Low
May	156.25	155.75	157.25 155.00
Jun	150.00	150.75	152.25 149.00
Jul	149.75	150.50	151.75 148.75
Aug	152.00	153.00	156.25 150.75
Sep	154.00	155.50	154.25 153.00
Oct	156.00	158.00	156.25 154.50
Nov	156.25	158.00	158.50 156.50
Dec	159.50	160.00	160.00 158.00
Jan	158.00	157.00	159.00 157.00

Turnover 12182 (9893)lots of 100 tonnes

SPICES

European spices market has been dull because of holidays, reports Man-produkten. Nutmegs/mace: lower offers from Singapore. Siauw/ambon nutmegs bwp US$2,000 a tonne, shrivels $3,000, abcd $3,750 and mace $4,100. Papua qualities, bwp $1,900, abcd $3,000, mace $3,800. Industrial demand for nutmegs/mace remains limited. Pimento: firm, Spot Mexico $2,050, Guatemala $2,000, Jamaica spot $2,650.
Cassia: quiet in Europe. China reporting price increase for cassia lignea whole and broken. China ginger seems difficult this year due to smaller crop.

LONDON METAL EXCHANGE (Prices supplied by Amalgamated Metal Trading)

	Close	Previous	High/Low	AM Official	Kerb close	Open interest
Aluminium, 99.7% purity ($ per tonne)						Ring turnover 45,227 tonne
Cash	1489-91	1490-5	1492	1491-2		
3 months	1508-9	1508-10	1512/1508	1510-1	1511-2	7,850 lots
Copper, Grade A (£ per tonne)						Ring turnover 80,474 tonne
Cash	1630-5	1720-5	1680/1640	1676-6		
3 months	1500-1	1556-7	1545/1500	1537-8	1505-6	28,275 lots
Lead (£ per tonne)						Ring turnover 10,337 tonne
Cash	487-9	486-8	489/487	487-7.5		
3 months	486-8	486-7	490/485	485-6	488-9	5,050 lots
Nickel ($ per tonne)						Ring turnover 7,210 tonne
Cash	9100-150	9200-50	9200/9100	9150-200		
3 months	8850-75	8830-50	8900/8850	8890-900	8850-75	2,446 lots
Tin ($ per tonne)						Ring turnover 6,358 tonne
Cash	6405-15	6465-75	6390	6390-400		
3 months	6520-5	6585-75	6550/6510	6525-35	6520-5	720 lots
Zinc, Special High Grade ($ per tonne)						Ring turnover 18,358 tonne
Cash	1755-7	1755-60	1780/1765	1771-3		
3 months	1683-5	1678-80	1702/1688	1693-5	1688-90	12,675 lots

LME Closing £/$ rate:
SPOT: 1.6595 3 months: 1.6328 6 months: 1.6051 9 months: 1.5847

LONDON BULLION MARKET

Gold (fine oz)	$ price	£ equivalent
Close	371-371½	223½-224
Opening	371¼-371¾	225½-226
Morning fix	371.40	225.652
Afternoon fix	371.30	223.810
Day's high	372-372½	
Day's low	370½-371	
Coins	**$ price**	**£ equivalent**
Mapleleaf	379-384	228¼-231¼
Britannia	379-384	228¼-231¼
US Eagle	379-384	228¼-231¼
Angel	379-384	228¼-231¼
Krugerrand	370-373	222¾-224¾
New Sov.	87⅛-89¼	52½-53½
Old Sov.	87¼-89¼	52½-53½
Noble Plat	490.55-496.35	295.50-300.20
Silver fix	**p/fine oz**	**US cts equiv**
Spot	306.95	508.60
3 months	318.60	517.05
6 months	330.30	528.25
12 months	354.55	552.70

TRADED OPTIONS

Aluminium (99.7%)	Calls		Puts	
Strike price $ tonne	July	Sep	July	Sep
1400	118	135	11	23
1500	62	74	43	59
1600	16	35	105	117
Copper (Grade A)	**Calls**		**Puts**	
2350	195	150	47	90
2400	135	103	83	139
2550	87	66	134	200
Coffee	**Jul**	**Sep**	**Jul**	**Sep**
600	63	85	9	19
650	32	55	26	39
750	14	34	60	68
Cocoa	**Jul**	**Sep**	**Jul**	**Sep**
800	83	31	11	98
850	49	72	27	37
900	27	47	55	62
Brent Crude	**Jun**	**Jul**	**Jun**	**Jul**
1650	11			
1700	1		68	53
1750				

New York

GOLD 100 troy oz.; $/troy oz.

	Close	Previous	High/Low	
May	371.4	371.4	0	0
Jun	373.2	373.7	374.6	372.6
Jul	376.2	376.2	0	0
Aug	377.6	378.7	379.6	377.5
Oct	383.0	383.9	383.6	383.0
Dec	388.1	388.9	389.4	387.7
Feb	393.4	394.2	393.4	393.4
Apr	398.0	399.2	398.2	398.0
Jun	404.6	404.6	0	0

PLATINUM 50 troy oz; $/troy oz.

	Close	Previous	High/Low	
Jul	488.6	488.2	487.5	488.2
Oct	489.5	489.8	493.0	489.5

SILVER 5,000 troy oz; cents/troy oz.

	Close	Previous	High/Low	
May	500.0	499.8	505.0	499.0
Jun	503.3	503.3	0	0
Jul	507.3	507.3	513.1	507.0
Sep	516.0	516.1	522.0	515.0
Dec	527.9	528.2	534.5	527.0
Jan	531.8	532.1	0	0
Mar	539.8	540.1	543.0	541.0
May	547.9	548.5	0	0
Jul	556.3	557.0	0	0
Sep	565.2	566.0	0	0

HIGH GRADE COPPER 25,000 lbs; cents/lbs

	Close	Previous	High/Low	
May	118.90	120.20	120.50	118.20
Jun	115.30	116.60	115.30	113.80
Jul	111.25	111.60	112.00	109.80
Aug	108.45	108.80	108.45	108.45
Sep	107.35	107.60	108.00	106.30
Oct	106.20	106.30	0	0
Nov	105.00	105.00	0	0
Dec	103.85	103.70	104.50	103.00
Jan	103.00	102.80	0	0
Mar	101.15	100.90	101.80	0

CRUDE OIL (Light) 42,000 US galls $/barrel

	Latest	Previous	High/Low	
Jun	18.07	17.99	18.16	17.83
Jul	18.67	18.59	18.79	18.41
Aug	19.10	19.07	19.26	18.95
Sep	19.50	19.48	19.67	19.40
Nov	19.98	19.76	20.09	19.82
Jan	19.95	19.79	20.04	19.80
Feb	19.88	19.79	20.02	19.86
Mar	19.90	19.79	19.95	19.80

HEATING OIL 42,000 US galls, cents/US galls

	Latest	Previous	High/Low	
Jun	5020	5000	5050	4965
Aug	5125	5100	5140	5065
Sep	5260	5241	5295	5220
Oct	5370	5330	5395	5350
Nov	5475	5419	5490	5420
Jan	5605	5539	5625	5545
Feb	5575	5493	5575	5520
Mar	5400	5306	5445	5385

COCOA 10 tonnes;$/tonnes

	Close	Previous	High/Low	
May	1261	1290	1305	1260
Jul	1274	1302	1328	1255
Sep	1297	1322	1344	1275
Dec	1316	1343	1363	1302
Mar	1335	1358	1374	1318
May	1350	1373	0	0
Jul	1370	1398	1390	1370

COFFEE "C" 37,500lbs; cents/lbs

	Close	Previous	High/Low	
May	91.00	90.80	91.60	90.00
Jul	92.43	92.54	93.50	91.75
Sep	94.49	94.66	96.10	93.80
Dec	96.75	96.88	97.50	95.80
Mar	98.65	98.78	99.25	98.65
May	100.25	100.68	0	0
Jul	102.25	103.00	102.00	102.00
Sep	103.75	103.00	0	0

SUGAR WORLD "11" 112,000 lbs; cents/lbs

	Close	Previous	High/Low	
Jul	14.44	15.60	15.58	14.25
Oct	14.50	15.53	15.60	14.25
Mar	14.38	14.88	14.83	14.38
Jul	14.15	14.86	14.82	14.15
Oct	14.60	15.53	15.50	14.25

COTTON 50,000; cents/lbs

	Close	Previous	High/Low	
May	73.71	74.40	75.00	73.90
Jul	73.65	74.73	74.85	73.40
Oct	69.45	70.10	70.35	69.45
Dec	68.85	67.38	67.60	66.75
Mar	69.15	68.25	69.15	68.05
May	68.36	66.57	68.70	68.35
Jul	68.69	69.42	0	0

ORANGE JUICE 15,000 lbs; cents/lbs

	Close	Previous	High/Low	
May	193.60	194.00	194.00	193.00
Jul	190.40	191.85	191.25	190.10
Sep	185.75	186.60	186.00	185.00
Nov	179.20	179.60	179.40	179.20
Jan	175.25	175.05	0	0
Mar	175.25	175.05	0	0
May	175.50	175.05	0	0
Jul	175.50	175.05	0	0

INDICES

REUTERS (Base: September 18 1931 = 100)

May 4	May 3	mnth ago	yr ago
1931.0	1940.1	1927.8	2016.7

DOW JONES (Base: Dec. 31 1974 = 100)

	May 3	May 2	mnth ago	yr ago
Spot	134.90	135.13	133.20	137.53
Futures	133.66	133.74	134.14	137.78

Chicago

SOYABEANS 5,000 bu min; cents/60lb bushel

	Close	Previous	High/Low	
May	627/0	629/6	632/2	625/0
Jul	640/0	644/0	647/6	640/0
Aug	645/4	649/6	653/0	645/4
Sep	646/0	649/2	654/4	646/0
Nov	652/0	656/2	659/4	652/0
Jan	663/0	666/6	669/0	663/0
Mar	673/4	677/0	678/0	673/4
May	683/0	686/0	686/0	680/4

SOYABEAN OIL 60,000 lbs; cents/lb

	Close	Previous	High/Low	
May	23.48	23.25	23.54	23.23
Jul	23.65	23.45	23.74	23.41
Aug	23.57	23.41	23.65	23.36
Sep	23.32	23.22	23.40	23.18
Oct	23.00	23.05	23.15	22.95
Dec	22.82	22.86	22.95	22.70
Jan	22.65	22.72	22.75	22.65
Mar	22.50	22.57	22.55	22.40

SOYABEAN MEAL 100 tons; $/ton

	Close	Previous	High/Low	
May	180.8	182.6	184.0	180.5
Jul	186.3	188.1	189.5	185.5
Aug	187.5	190.2	191.5	187.5
Sep	189.5	191.7	193.0	189.5
Oct	191.0	193.0	195.0	191.0
Dec	195.0	197.7	198.2	195.0
Jan	197.0	199.0	199.0	197.0
Mar	202.0	203.9	202.0	200.0

MAIZE 5,000 bu min; cents/56lb bushel

	Close	Previous	High/Low	
May	287/0	285/4	288/4	285/4
Jul	289/4	287/0	290/0	286/6
Sep	277/4	277/2	278/2	275/4
Dec	270/2	270/6	272/2	269/2
Mar	276/0	275/6	276/4	272/6
May	277/2	278/0	279/0	276/0
Jul	279/4	280/0	280/4	278/0

WHEAT 5,000 bu min; cents/60lb-bushel

	Close	Previous	High/Low	
May	377/4	372/4	378/4	372/4
Jul	350/0	346/6	350/0	345/0
Sep	355/2	352/6	355/6	351/0
Dec	369/0	365/4	369/0	363/6
Mar	374/0	371/4	374/0	370/0

LIVE CATTLE 40,000lbs; cents/lbs

	Close	Previous	High/Low	
Jun	74.65	74.30	74.90	74.25
Aug	72.50	72.47	72.82	72.30
Oct	74.60	74.46	74.60	74.30
Dec	75.07	75.11	75.15	74.90
Feb	75.07	75.2[illegible]	75.30	75.00
Apr	75.55	75.67	75.85	75.55
Jun	74.20	74.60	74.30	74.20

LIVE HOGS 30,000 lb; cents/lb

	Close	Previous	High/Low	
Jun	63.97	63.65	64.30	63.60
Jul	63.20	62.95	63.70	62.72
Aug	61.70	61.27	62.15	61.05
Oct	54.65	54.37	54.90	54.10
Dec	53.35	53.27	53.60	53.05
Feb	51.45	51.3[illegible]	51.60	51.20
Apr	48.30	48.25	48.40	48.05
Jun	51.20	51.25	51.40	51.20

PORK BELLIES 40,000 lb; cents/lb

	Close	Previous	High/Low	
May	69.17	69.67	71.67	68.90
Jul	69.27	69.35	71.55	68.85
Aug	66.80	66.70	68.70	66.05
Feb	59.15	59.15	60.15	58.75
Mar	58.70	59.00	59.40	58.70
May	59.35	59.95	59.70	0

[illegible]

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar down as pound gains

THE DOLLAR weakened yesterday on publication of surprisingly weak US employment data. The market expected a rise of at least 300,000 in non-farm payrolls, but the April gain was only 64,000, compared with 103,000 in March. Dealers said the data indicated that the US economy is not as strong as had been widely believed. The employment data was particularly disappointing because if the hiring of temporary workers was deducted non farm payrolls showed a fall of 16,000. There was also surprise that the unemployment rate rose in April to 5.4 from 5.2 per cent.

Group of Seven ministers meet in Washington on Monday, but no important currency initiatives are expected.

At the London close the dollar had fallen to DM1.6715 from DM1.6820; to SFr1.4445 from SFr1.4545; and to FFr5.6100 from FFr5.6410, but was slightly firmer against the Japanese yen at Y158.35, compared with Y158.10. On Bank of England figures the dollar's index fell to 68.0 from 68.3.

Sterling was particularly firm, after better than expected results for the ruling Conservative Party in Britain's local government elections. The market was impressed with the performance of the Tories in London, and their success in retaining control of Wandsworth and Westminster. This encouraged speculation that the Government is not as unpopular as recent opinion polls have suggested.

The pound closed 1.70 cents higher in London at $1.6600. It also rose to DM2.7750 from DM2.7625; to SFr2.3975 from SFr2.3900; to FFr9.3125 from FFr9.2675; and to Y262.75 from Y259.75. According to the Bank of England sterling's index gained 0.6 to 87.6.

The D-Mark rose against the weak dollar, but failed to gain much support from news that *the union representing engineering workers in Southern* Germany has reached agreement with local employers. Strikes involving engineering workers have been a factor undermining the D-Mark recently. Worries about the inflationary implications of German monetary union continue to weigh on the currency, but it rose slightly to FFr3.3560 from FFr3.3535 in terms of the French franc and to L733.00 from L732.75 against the Italian lira. The Bank of Italy sold lira to buy D-Marks and European Currency Units at the Milan fixing.

The Australian ended an eventful week on a quiet note. It closed in London unchanged at 75.50 US cents. Expectations that interest rates will remain high supported the currency, but this was offset by fear of central bank intervention.

Average rates against the dollar in April were: sterling $1.6376; D-Mark DM1.6870; Japanese yen Y158.35; Swiss *franc SFr1.4862; and French* franc FFr5.6664.

£ IN NEW YORK

May.4	Latest	Previous Close
£ Spot	1.6590-1.6600	1.6385-1.6395
1 month	0.97-0.96pm	0.91-0.90pm
3 months	2.69-2.67pm	2.61-2.59pm
12 months	9.25-9.20pm	9.05-8.95pm

Forward premiums and discounts apply to the US dollar

STERLING INDEX

	May.4	Previous
8.30 am	87.2	87.1
9.00 am	87.2	87.1
10.00 am	87.2	87.0
11.00 am	87.2	87.0
Noon	87.3	87.1
1.00 pm	87.3	87.0
2.00 pm	87.5	87.0
3.00 pm	87.5	87.0
4.00 pm	87.6	87.0

CURRENCY RATES

May.4	Bank rate %	Special* Drawing Rights	European † Currency Unit
Sterling	-	0.794372	0.740131
U.S Dollar	7	1.30420	1.21937
Canadian $	13.32	1.52174	1.42178
Austrian Sch.	6½	15.4456	14.4263
Belgian Franc	10¼	45.3014	42.2571
Danish Krone	10½	8.34101	7.77834
Deutsche Mark	6.00	2.19536	2.04890
Neth.Guilder	7.00	2.46820	2.30575
French Franc	10¼	7.36612	6.87540
Italian Lira	13½	1609.45	1501.16
Japanese Yen	5¼	N/A	193.477
Norway Krone	8	8.50534	7.94295
Spanish Peseta	-	137.774	128.107
Swedish Krona	12	7.96018	7.43325
Swiss Franc	6.00	1.89631	1.77479
Greek Drach.	20½	N/A	201.025
Irish Punt	-	N/A	0.763392

† European Commission Calculations.
* All SDR rates are for May.3

CURRENCY MOVEMENTS

May.4	Bank of England Index	Morgan** Guaranty Changes %
Sterling	87.6	-24.4
U.S Dollar	68.0	-9.7
Canadian Dollar	104.9	+1.6
Austrian Schilling	109.9	+11.9
Belgian Franc	111.5	-2.2
Danish Krone	111.5	+5.7
Deutsche Mark	119.2	+24.7
Swiss Franc	112.5	+20.4
Guilder	115.1	+16.6
French Franc	105.2	-11.7
Lira	102.0	-17.8
Yen	117.1	+45.8

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (Base Average 1985=100) **Rates are for May.3.

OTHER CURRENCIES

May.4	£	$
Argentina	8301.40 - 8321.40	5005.00 - 5015.00
Australia	2.1980 - 2.2000	1.3250 - 1.3260
Brazil	112.785 - 112.845	68.0000 - 69.0000
Finland	6.5425 - 6.5635	3.9520 - 3.9550
Greece	268.55 - 272.85	163.35 - 166.00
Hong Kong	12.9160 - 12.9285	7.7910 - 7.7930
Iran	115.80*	70.40*
Korea(Sth)	1149.40 - 1167.90	702.70 - 708.30
Kuwait	0.48270 - 0.48330	0.29350 - 0.29370
Luxembourg	57.20 - 57.30	34.45 - 34.55
Malaysia	4.4855 - 4.4975	2.7080 - 2.7100
Mexico	4665.90 - 4668.95	2813.00 - 2823.00
N. Zealand	2.8925 - 2.8970	1.7440 - 1.7470
Saudi Ar.	6.1665 - 6.1740	3.7500 - 3.7510
Singapore	3.1075 - 3.1145	1.8740 - 1.8760
S. Af (Cm)	4.4055 - 4.4090	2.6550 - 2.6570
S. Af (Fn)	6.7690 - 6.9180	4.0815 - 4.1665
Taiwan	43.70 - 43.80	26.35 - 26.40
U.A.E.	6.0395 - 6.0465	3.6720 - 3.6730

*Selling rate

FORWARD RATES AGAINST STERLING

	Spot	1 mth	3 mths	6 mths	12 mths
US Dollar	1.6600	1.6509	1.6334	1.6092	1.5675
D-mark	2.7750	2.7580	2.7283	2.6877	2.6168
French Fr.	9.3125	9.2693	9.1889	9.0719	8.8685
Swiss Fr.	2.3975	2.3852	2.3621	2.3270	2.2689
Yen	262.75	260.93	257.64	252.89	244.13

DOLLAR SPOT- FORWARD AGAINST THE DOLLAR

May.4	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.6430 - 1.6615	1.6595 - 1.6605	0.98-0.96cpm	7.01	2.68-2.65pm	6.42
Ireland†	1.5955 - 1.6070	1.6060 - 1.6070	0.38-0.33cpm	2.66	1.13-1.03pm	2.69
Canada	1.1620 - 1.1680	1.1625 - 1.1635	0.50-0.53cdis	-5.30	1.38-1.43dis	-4.82
Netherlands	1.8735 - 1.8905	1.8780 - 1.8790	0.01pm-0.01cdis	-	0.03-par	0.03
Belgium	34.45 - 34.65	34.45 - 34.55	3-7cdis	-1.39	5-16dis	-1.22
Denmark	6.34¼ - 6.38¼	6.34½ - 6.35	1.15-1.35oredis	-2.36	3.00-3.70dis	-2.11
W. Germany	1.6680 - 1.6820	1.6710 - 1.6720	0.06-0.04pfpm	0.36	0.15-0.12pm	0.32
Portugal	147.75 - 148.40	147.65 - 147.75	78-88cdis	-6.73	275-290dis	-7.63
Spain	104.45 - 105.20	104.60 - 104.70	49-53cdis	-5.85	147-155dis	-5.77
Italy	1222½ - 1232	1225 - 1225½	2.80-3.80liredis	-2.99	8.00-9.50dis	-2.86
Norway	6.48 - 6.51½	6.48¾ - 6.49¼	1.75-2.00oredis	-3.47	5.20-5.80dis	-3.39
France	5.59¼ - 5.64¼	5.60¾ - 5.61¼	0.52-0.57cdis	-1.17	1.30-1.40dis	-0.96
Sweden	6.06½ - 6.10	6.07¼ - 6.07¾	2.10-2.25oredis	-4.29	6.30-6.65dis	-4.26
Japan	158.15 - 158.95	158.30 - 158.40	0.18-0.16ypm	1.29	0.56-0.53pm	1.37
Austria	11.80¾ - 11.82¼	11.82¾ - 11.83¼	0.15d-0.25gropm	0.05	0.05-1.15dis	-0.19
Switzerland	1.4420 - 1.4565	1.4440 - 1.4450	0.09-0.11cdis	-0.83	0.16-0.21dis	-0.51
ECU	1.2180 - 1.2285	1.2255 - 1.2265	0.57-0.54cpm	5.45	1.54-1.49pm	4.94

Commercial rates taken towards the end of London trading. † UK, Ireland and ECU are quoted in US currency. Forward premiums and discounts apply to the US dollar and not to the individual currency.

POUND SPOT- FORWARD AGAINST THE POUND

May.4	Day's spread	Close	One month	% p.a.	Three months	% p.a.
US	1.6430 - 1.6615	1.6595 - 1.6605	0.98-0.96cpm	7.01	2.68-2.65pm	6.42
Canada	1.9170 - 1.9385	1.9330 - 1.9340	0.32-0.24cpm	1.74	0.87-0.75pm	1.68
Netherlands	3.10¼ - 3.12½	3.11¼ - 3.12¼	1¾-1¼cpm	6.98	5-4¾pm	6.34
Belgium	56.90 - 57.45	57.20 - 57.30	32-21cpm	5.55	82-62pm	5.03
Denmark	10.48¾ - 10.55¼	10.53¼ - 10.54¼	4⅞-3⅞orepm	5.77	11⅞-10⅛pm	4.18
Ireland	1.0280 - 1.0360	1.0330 - 1.0340	0.44-0.38cpm	4.76	1.01-0.91pm	3.72
W. Germany	2.76¼ - 2.78	2.77¼ - 2.77¾	1¾-1⅝pfpm	7.30	4⅝-4½pm	6.59
Portugal	243.60 - 246.35	244.70 - 245.70	12-15cdis	-0.66	37-64dis	-0.82
Spain	172.60 - 174.25	173.20 - 173.50	13-16cdis	-1.00	42-33pm	0.86
Italy	2023¾ - 2035¾	2033½ - 2034½	8-5lirepm	3.83	20-16pm	3.54
Norway	10.70½ - 10.79¾	10.76¼ - 10.77¼	3⅛-2⅞orepm	3.48	8½-7¾pm	2.95
France	9.26¼ - 9.33	9.30¾ - 9.31¼	4⅛-4⅛cpm	5.48	12⅝-12⅛pm	5.32
Sweden	10.01¼ - 10.10¼	10.08 - 10.09	2½-2orepm	2.68	5¼-4¾pm	2.11
Japan	260¼ - 263¼	262¼ - 263¼	1⅝-1⅛ypm	8.28	5¼-4⅞pm	6.85
Austria	19.41 - 19.55	19.50 - 19.53	11⅛-10¼gropm	6.73	32¼-29¼pm	6.35
Switzerland	2.39¼ - 2.40¼	2.39¾ - 2.40¼	1¼-1⅛cpm	5.94	3¾-3⅝pm	5.84
ECU	1.3510 - 1.3550	1.3540 - 1.3550	0.57-0.54cpm	4.92	1.54-1.49pm	4.47

Commercial rates taken towards the end of London trading. Six-month forward dollar 5.11-5.06cpm; 12 month 9.30-9.20cpm

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu May.4	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	42.1679	42.2571	+0.21	+0.36	±1.5508
Danish Krone	7.79845	7.77834	-0.26	-0.11	±1.6453
German D-Mark	2.04446	2.04890	+0.22	+0.37	±1.1762
French Franc	6.85684	6.87540	+0.27	+0.42	±1.3618
Dutch Guilder	2.30358	2.30575	+0.01	+0.16	±1.5272
Irish Punt	0.763159	0.763392	+0.03	+0.18	±1.6689
Italian Lira	1529.70	1501.16	-1.87	-1.72	±1.5162
Spanish Peseta	132.889	128.107	-3.60	-3.60	±4.2705

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EURO-CURRENCY INTEREST RATES

May 4	Short term	7 Days notice	One Month	Three Months	Six Months	One Year
Sterling	15-14⅞	15⅛-14⅞	15⅛-15	15¼-15⅛	15⅜-15¼	15⅝-15½
US Dollar	8¼-8	8⅜-8¼	8⅜-8¼	8⅝-8½	8¾-8⅝	9⅛-8⅞
Can. Dollar	13-12¾	13-12¾	13¼-13	13⅜-13¼	13⅝-13½	13⅞-13⅝
D. Guilder	8⅛-7⅞	8⅛-7⅞	8⅜-8¼	8⅝-8½	8⅞-8¾	9¼-9⅛
Sw. Franc	9-8¾	9-8¾	9⅛-9	9¼-9⅛	9¼-9⅛	9¼-9⅛
Deutschmark	7⅞-7¾	7⅞-7¾	7⅞-7¾	8⅛-8	8⅜-8¼	9-8⅞
Fr. Franc	9⅝-9½	9⅝-9½	9⅝-9½	9⅝-9½	9⅞-9¾	10-9⅞
Italian Lira	13-11	12¾-11¾	11⅞-11¾	11⅞-11¾	12-11¾	12⅛-12⅛
Belgian Franc	10-9¾	10-9¾	10⅛-9⅞	10⅛-10	10⅜-10¼	10⅝-10½
Yen	7⅛-7⅛	7⅛-7⅛	7⅛-7⅛	7⅛-7⅛	7½-7⅜	7⅞-7¾
D.Krone	10⅜-10⅛	11-10⅞	10⅞-10¾	10⅞-10¾	10⅞-10¾	10⅞-10¾
Asian $Sing	8⅛-8	8¼-8⅛	8½-8⅜	8⅝-8½	9-8¾	9⅛-9

Long term Eurodollars: two years 9⅛-9¼ per cent; three years 9½-9⅜ per cent; four years 9⅝-9½ per cent; five years 9⅝-9½ per cent nominal. Short term rates are call for US Dollars and Japanese Yen; others, two days' notice.

EXCHANGE CROSS RATES

May.4	£	$	DM	Yen	F Fr.	S Fr.	H Fl.	Lira	C $	B Fr.
£	1	1.660	2.775	262.8	9.313	2.398	3.118	2034	1.934	57.25
$	0.602	1	1.672	158.3	5.610	1.445	1.878	1225	1.165	34.49
DM	0.360	0.598	1	94.70	3.356	0.864	1.124	733.0	0.697	20.63
YEN	3.805	6.317	10.56	1000.	35.44	9.125	11.86	7740	7.359	217.8
F Fr.	1.074	1.782	2.980	282.2	10.	2.575	3.348	2184	2.077	61.47
S Fr.	0.417	0.692	1.157	109.6	3.884	1	1.300	848.2	0.807	23.87
H Fl.	0.321	0.532	0.890	84.28	2.987	0.769	1	652.3	0.620	18.36
Lira	0.492	0.816	1.364	129.2	4.579	1.179	1.533	1000.	0.951	28.15
C $	0.517	0.858	1.435	135.9	4.815	1.240	1.612	1052	1	29.60
B Fr.	1.747	2.900	4.847	459.8	16.27	4.189	5.446	3553	3.378	100.

Yen per 1,000: French Fr. per 10: Lira per 1,000: Belgian Fr. per 100.

MONEY MARKETS

Short sterling rises

THE TONE in London was less nervous yesterday, after local elections in Britain produced a better result than feared for the ruling Conservative Party. Short sterling futures were very firm on Liffe, with September delivery rising through resistance at 85.07, to close at 85.09, compared with 84.88 previously.

On the cash money market three-month sterling interbank eased to 15¼-15⅛ per cent from 15⅝-15¼, and one-year money fell to 15⅝-15½ per cent from 15¹¹⁄₁₆-15⅝.

UK clearing bank base lending rate 15 per cent from October 5

Day-to-day credit was in exceptionally short supply on the money market. The Bank of England initially forecast a shortage of £2,350m, but revised this to £2,400m at noon, and to £2,300m in the afternoon. Total assistance of £2,317m was provided.

An early round of help was offered, and at that time the authorities bought £1,010m bills, including £55m outright, by way of £5m bank bills in band 1 at 14⅞ per cent and £50m bank bills in band 2 at 14⅞ per cent. Another £955m bills were purchased for resale to the market in equal amounts on May 21 and 22, at a rate of 14⅞ per cent. Before lunch the Bank of England bought a further £1,117m bank bills outright in band 2 at 14⅞ per cent. In the afternoon another £190m bank bills were purchased outright, in band 2 at 14⅞ per cent.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills drained £640m, with Exchequer transactions absorbing £840m, a rise in the note circulation £550m, and bank balances below target £310m.

At the weekly Treasury bill tender the average rate of discount on 91-day bills fell to 14.5813 per cent from 14.6200 per cent last week. The top accepted rate of discount was 14.6000 per cent, down from 14.6301 previously. The £500m bills on offer attracted bids of £1,985bn.

The average rate of discount on £200m of 182-day bills declined to 14.2314 per cent from 14.3379. These met applications of £752m. Next week another £500m 91-day bills and £200m 182-day bills will be on offer.

In Frankfurt call money eased to 7.90 from 7.95 per cent on news that the West German metal workers union and employers in Southern Germany had reached agreement on pay and working hours. This allayed fears of an early rise in interest rates.

FT LONDON INTERBANK FIXING

(11.00 a.m. May.4) 3 months US dollars		6 months US Dollars	
bid 8½	offer 8⅝	bid 8⅞	offer 8⅞

The fixing rates are the arithmetic means rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted to the market by five reference banks at 11.00 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque National de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	10
Broker loan rate	9¾
Fed.funds	8¼
Fed.funds at intervention	-

Treasury Bills and Bonds

One month	6.93	Three year	8.78
Two month	7.69	Four year	8.80
Three month	8.05	Five year	8.81
Six month	8.23	Seven year	8.86
One year	8.41	10-year	8.88
Two year	8.72	30-year	8.86

May.4	Overnight	One Month	Two Months	Three Months	Six Months	Lombard Intervention
Frankfurt	7.85-7.95	8.05-8.20	8.10-8.25	8.25-8.40	8.65-8.80	8.00
Paris	9⅜-9⅝	9⅝-9¾	9⅝-9¾	9¾-9⅞	9⅞-10	9.50
Zurich	8¾-8⅞	9-9¼	-	9-9¼	-	-
Amsterdam	8.44-8.56	8.35-8.43	-	8.62-8.72	-	-
Tokyo	7⅛-7¼	7⅛-7¼	-	7⅛-7⅞	-	-
Milan	11½-12½	11½-12	-	11¾-12½	-	-
Brussels	10.70	9⅞-10	-	9⅞-10⅛	-	-
Dublin	10¼-10½	11¼-11½	11¼-11½	11¼-11½	11¼-11½	-

LONDON MONEY RATES

May 4	Overnight	7 days notice	One Month	Three Months	Six Months	One Year
Interbank Offer	15¼	15⅛	15⅛	15⅜	15½	15⅞
Interbank Bid	5	14⅞	15⅛	15¼	15⅜	15¾
Sterling CDs	-	-	15⅛	15¼	15⅜	15⅞
Local Authority Deps.	14⅞	14⅞	15	15⅛	15¼	15½
Local Authority Bonds	-	-	-	-	-	-
Discount Mkt Deps.	15	14¾	14¾	14⅞	-	-
Company Deposits	-	-	15⅛	15⅛	15⅛	15⅛
Finance House Deposits	-	-	15⅛	15¼	15¼	15⅛
Treasury Bills (Buy)	-	-	14⅞	14¾	-	-
Bank Bills (Buy)	-	-	14¾	14⅞	14⅞	-
Fine Trade Bills (Buy)	-	-	15⅛	15⅛	14⅞	-
Dollar CDs	-	-	8.35	8.45	8.65	8.15
SDR Linked Dep. Offer	-	-	9¼	9⅜	9⅜	9¾
SDR Linked Dep. Bid	-	-	9	9¼	9¼	9⅝
ECU Linked Dep. Offer	-	-	10⅛	10⅜	10⅝	11⅛
ECU Linked Dep. Bid	-	-	10¼	10¼	10⅜	10⅞

Treasury Bills (sell); one-month 14⅞ per cent; three months 14⅝ per cent; Bank Bills (sell): one-month 14⅞ per cent; three months 14⅝ per cent; Treasury Bills; Average tender rate of discount 14.5813 p.c. ECGD Fixed Rate Sterling Export Finance. Make up day April 30, 1990. Agreed rates for period May 26 to June 25, 1990, Scheme I: 15.94 p.c., Schemes II & III: 16.49 p.c. Reference rate for period March 31, 1990 to April 30, 1990, Scheme IV&V: 15.247 p.c. Local Authority and Finance Houses seven days' notice, others seven days' fixed. Finance Houses Base Rate 15½ from May 1, 1990: Bank Deposit Rates for sums at seven days notice 4 per cent. Certificates of Tax Deposit (Series 6); Deposit £100,000 and over held under one month 11½ per cent; one-three months 13 per cent; three-six months 13 per cent; six-nine months 13 per cent; nine-twelve months 13 per cent; Under £100,000 11⅛ per cent from Oct 9,1989. Deposits withdrawn for cash 5 per cent.

FINANCIAL FUTURES AND OPTIONS

LIFFE LONG GILT FUTURES OPTIONS £50,000 64ths of 100%

Strike Price	Calls-settlements Jun	Sep	Puts-settlements Jun	Sep
77	3-48	4-59	0-04	0-33
78	2-54	4-10	0-10	0-48
79	2-02	3-28	0-22	1-02
80	1-16	2-52	0-36	1-26
81	0-40	2-16	0-60	1-54
82	0-20	1-49	1-40	2-23
83	0-08	1-23	2-28	2-61
84	0-04	1-02	3-24	3-40

Estimated volume total, Calls 2294 Puts 4102
Previous day's open int. Calls 30173 Puts 18452

LIFFE EUROMARK OPTIONS DM1m points of 100%

Strike Price	Calls-settlements Jun	Sep	Puts-settlements Jun	Sep
9075	0.93	0.65	0	0.09
9100	0.69	0.47	0.01	0.16
9125	0.46	0.32	0.03	0.26
9150	0.25	0.18	0.05	0.37
9175	0.07	0.10	0.14	0.54
9200	0.02	0.05	0.34	0.74
9225	0.01	0.03	0.58	0.97
9250	0		0.82	

Estimated volume total, Calls 1063 Puts 3170
Previous day's open int. Calls 10286 Puts 8120

LONDON (LIFFE)

20-YEAR 9% NOTIONAL GILT £50,000 32nds of 100%

	Close	High	Low	Prev.
Jun	80-22	81-01	79-31	78-19
Sep	81-13			79-10
Dec				

Estimated volume 48896 (29961)
Previous day's open int. 38958 (39126)

US TREASURY BONDS 8% $100,000 32nds of 100%

	Close	High	Low	Prev.
Jun	90-09	90-13	89-08	89-04
Sep	90-03			88-30
Dec				

Estimated volume 2426 (1750)
Previous day's open int. 4969 (4785)

6% NOTIONAL GERMAN GOVT. BOND DM250,000 100ths of 100%

	Close	High	Low	Prev.
Jun	84.13	84.42	82.70	82.22
Sep	83.86	84.16	82.49	81.93
Dec	83.82	83.19	82.61	81.98

Estimated volume 73816 (38421)
Previous day's open int. 72536 (70263)

6% NOTIONAL LONG TERM JAPANESE GOVT. BOND Y100m 100ths of 100%

	Close	High	Low	Prev.
Jun	93.48	93.48	93.14	93.22
Sep	93.78			93.52
Dec				

Estimated volume 213 (66)
Previous day's open int. 861 (834)

THREE MONTH STERLING £500,000 points of 100%

	Close	High	Low	Prev.
Jun	84.85	84.90	84.70	84.67
Sep	85.09	85.20	84.92	84.88
Dec	85.42	85.43	85.20	85.11
Mar	85.83	85.87	85.60	85.50
Jun	86.27	86.27	86.05	85.95
Sep	86.68	86.68	86.47	86.40
Dec	86.97	86.97	86.76	86.69
Mar	87.16	87.14	86.95	86.87

Est. Vol. (inc. figs. not shown) 52836 (29775)
Previous day's open int. 163055 (165386)

THREE MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev.
Jun	91.40	91.40	91.15	91.14
Sep	91.25	91.26	90.84	90.82
Dec	91.04	91.06	90.65	90.62
Mar	90.94	90.94	90.58	90.54
Jun	90.84			90.47
Sep	90.80			90.45
Dec	90.75			90.42
Mar	90.75			90.46

Est. Vol. (inc. figs. not shown) 8184 (4237)
Previous day's open int. 33951 (33996)

THREE MONTH EUROMARK DM 1m points of 100%

	Close	High	Low	Prev.
Jun	91.68	91.71	91.55	91.48
Sep	91.31	91.34	91.06	90.96
Dec	91.14	91.14	90.88	90.77
Mar	91.03	91.08	90.79	90.69
Jun	91.08	91.04	90.91	90.76
Sep	91.21	91.13	91.12	90.96
Dec	91.30			91.07
Mar	91.30			91.09

Estimated volume 32086 (16053)
Previous day's open int. 71815 (71336)

THREE MONTH ECU ECU 1m points of 100%

	Close	High	Low	Prev.
Jun	89.66	89.66	89.43	89.35
Sep	89.50	89.50	89.34	89.25
Dec	89.57	89.57	89.37	89.30
Mar	89.67			89.40

Estimated volume 594 (268)
Previous day's open int. 3767 (3739)

FT-SE 100 INDEX £25 per full index point

	Close	High	Low	Prev.
Jun	2189.0	2198.0	2175.0	2166.0
Sep	2227.0			2204.0
Dec	2267.0			2244.0

Estimated volume 5921 (2496)
Previous day's open int. 21563 (21253)

POUND-$ (FOREIGN EXCHANGE)

Spot	1-mth.	3-mth.	6-mth.	12-mth.
1.6600	1.6509	1.6334	1.6092	1.5675

IMM-STERLING $ per £

	Latest	High	Low	Prev.
Jun	1.6450	1.6490	1.6340	1.6302
Sep	1.6216	1.6250	1.6100	1.6054
Dec	1.6000	1.6030	1.5988	1.5830

LIFFE US TREASURY BOND FUTURES OPTIONS $100,000 64ths of 100%

Strike Price	Calls-settlements Jun	Sep	Puts-settlements Jun	Sep
87	3-22	4-01	0-04	0-59
88	2-26	3-22	0-08	1-16
89	1-35	2-47	0-17	1-41
90	0-53	2-13	0-35	2-07
91	0-26	1-48	1-08	2-42
92	0-12	1-23	1-58	3-17
93	0-11	1-03	2-57	3-61
94	0-05	0-50	3-51	4-44

Estimated volume total, Calls 421 Puts 489
Previous day's open int. Calls 2257 Puts 4180

LIFFE EURODOLLAR OPTIONS £1m points of 100%

Strike Price	Calls-settlements Jun	Sep	Puts-settlements Jun	Sep
9050	0.90	0.81	0	0.06
9075	0.66	0.60	0.01	0.10
9100	0.41	0.43	0.01	0.18
9125	0.20	0.29	0.05	0.29
9150	0.08	0.18	0.18	0.43
9175	0.04	0.10	0.39	0.60
9200	0.01	0.06	0.61	0.81
9225	0	0.03	0.85	1.03

Estimated volume total, Calls 57 Puts 2150
Previous day's open int. Calls 3354 Puts 2198

LIFFE BUND FUTURES OPTIONS DM250,000 points of 100%

Strike Price	Calls-settlements Jun	Sep	Puts-settlements Jun	Sep
8250	1.78	2.27	0.15	0.91
8300	1.36	1.95	0.23	1.09
8350	1.00	1.66	0.37	1.30
8400	0.72	1.42	0.59	1.56
8450	0.47	1.19	0.84	1.83
8500	0.29	1.00	1.16	2.14
8550	0.17	0.82	1.54	2.46
8600	0.09	0.68	1.96	2.82

Estimated volume total, Calls 10157 Puts 3841
Previous day's open int. Calls 41850 Puts 47731

LIFFE SHORT STERLING OPTIONS £500,000 points of 100%

Strike Price	Calls-settlements Jun	Sep	Puts-settlements Jun	Sep
8400	0.86	1.16	0.01	0.07
8425	0.63	0.94	0.03	0.10
8450	0.40	0.72	0.05	0.13
8475	0.19	0.53	0.09	0.19
8500	0.06	0.37	0.21	0.28
8525	0.02	0.25	0.42	0.41
8550	0.01	0.16	0.66	0.57
8575	0	0.11	0.90	0.77

Estimated volume total, Calls 3187 Puts 2057
Previous day's open int. Calls 52545 Puts 43565

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev.
Jun	90-05	90-10	89-06	89-04
Sep	89-30	90-04	89-00	88-31
Dec	89-24	89-28	88-31	88-26
Mar	89-21	89-21	88-29	88-25
Jun	89-15	89-19	89-15	88-20
Sep	89-10	89-10	89-10	88-17
Dec	-	-	-	88-14
Mar	-	-	-	88-10
Jun	-	-	-	88-06
Sep	-	-	-	88-03

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Latest	High	Low	Prev.
Jun	92.21	92.23	92.01	91.99
Sep	92.13	92.15	91.86	91.82
Dec	92.09	92.09	91.95	91.70
Mar	-	-	-	91.69
Jun	-	-	-	91.56

SWISS FRANC (IMM) SFr 125,000 $ per SFr

	Latest	High	Low	Prev.
Jun	0.6908	0.6925	0.6866	0.6867
Sep	0.6900	0.6918	0.6862	0.6864
Dec	0.6900	0.6910	0.6900	0.6864
Mar	-	-	-	0.6878

JAPANESE YEN (IMM) Y12.5m $ per Y100

	Latest	High	Low	Prev.
Jun	0.6314	0.6330	0.6305	0.6337
Sep	0.6338	0.6350	0.6330	0.6360
Dec	-	-	-	0.6385

DEUTSCHE MARK (IMM) DM125,000 $ per DM

	Latest	High	Low	Prev.
Jun	0.5984	0.5996	0.5952	0.5946
Sep	0.5986	0.6000	0.5959	0.5950
Dec	0.5990	0.5990	0.5990	0.5950

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Latest	High	Low	Prev.
Jun	91.34	91.39	91.15	91.14
Sep	91.16	91.20	90.85	90.81
Dec	91.00	91.03	90.65	90.61
Mar	90.90	90.93	90.57	90.53
Jun	90.78	90.81	90.48	90.46
Sep	90.73	90.76	90.47	90.45
Dec	90.65	90.71	90.43	90.41
Mar	90.65	90.72	90.47	90.45

STANDARD & POORS 500 INDEX $500 times index

	Latest	High	Low	Prev.
Jun	338.70	339.20	337.90	337.15
Sep	343.50	343.80	342.80	341.95
Dec	347.60	348.00	347.60	346.40

PHILADELPHIA SE £/$ OPTIONS £31,250 (cents per £1)

Strike Price	Calls May	Jun	Jul	Sep	Puts May	Jun	Jul	Sep
1.550	10.40	10.40	10.40	10.50	-	0.04	0.33	1.30
1.575	7.90	7.90	7.90	8.00	-	0.15	0.69	2.01
1.600	5.40	5.50	5.46	5.84	-	0.55	1.24	2.83
1.625	3.05	3.30	3.52	4.14	-	1.10	2.05	4.11
1.650	0.95	1.84	2.10	2.97	0.56	2.20	3.32	5.56
1.675	0.12	0.89	1.24	2.02	2.12	3.92	4.96	7.21
1.700	-	0.35	0.62	1.32	4.53	5.81	6.86	8.95

Previous day's open int: Calls 330,371 Puts 336,244 (All currencies)
Previous day's volume: Calls 25,064 Puts 11,198 (All currencies)

20 YEAR 10% NOTIONAL FRENCH BOND (MATIF) FUTURES

	Open	Close	Change	High	Low	Yield	Open int.
June	102.98	103.08	+0.98	103.14	102.48	9.46	67,189
September	102.48	102.98	+0.98	103.04	102.38	9.47	14,811
December	102.44	102.96	+0.96	102.96	102.44	9.48	3,635
March	-	-	-	-	-	-	-

Estimated volume 87,985 Total Open Interest 85,635

OPTION ON LONG-TERM FRENCH BOND (MATIF)

Strike	Calls June	Sept.	Dec.	Puts June	Sept.	Dec.
100	3.03	-	-	0.03	0.41	-
101	2.10	-	-	0.06	0.62	-
102	1.18	1.86	-	0.17	0.93	-
103	0.54	1.33	-	0.46	-	-
104	0.19	0.91	-	-	-	-
105	0.06	0.60	-	-	-	-
Open Int	150,458	51,505	3,990	169,027	30,523	2,150

Estimated volume 33,049 Total Open Interest 407,653

THREE-MONTH PIBOR FUTURES (MATIF) (Paris interbank offered rate)

	Open	Close	Change	High	Low	Yield	Open int.
June	90.26	90.34	+0.12	90.35	90.26	9.66	14,111
September	90.21	90.31	+0.15	90.32	90.21	9.69	7,647
December	90.22	90.28	+0.11	90.30	90.22	9.71	2,371
March	90.18	90.18	+0.07	90.18	90.18	9.82	144

Estimated volume 11,282 Total Open Interest 24,273

CAC-40 FUTURES (MATIF) Stock index

	Open	Close	Change	High	Low	Open int.
May	2135.0	2118.0	-	2133.0	2112.5	3,961
June	2131.0	2119.0	-0.01	2134.0	2119.0	402
July	2131.0	2129.0	+0.09	2131.0	2129.0	-
September	-	-	-	-	-	10

Estimated volume 5,277 Total Open Interest 4,373

BANK RETURN

BANKING DEPARTMENT	Wednesday May 2, 1990		Increase or decrease for week
LIABILITIES	£		£
Capital	14,553,000		
Public Deposits	49,274,692	-	5,372,294
Bankers Deposits	1,751,812,386	-	26,297,159
Reserve and other Accounts	1,999,053,468	+	232,673,643
	3,814,693,546	+	201,004,190
ASSETS			
Government Securities	1,044,306,738	-	132,836,406
Advance and other Accounts	1,033,006,760	+	273,220,873
Premises Equipment & other Secs	1,730,392,340	+	62,388,830
Notes	6,783,549	-	1,780,197
Coin	204,159	+	11,290
	3,814,693,546	+	201,004,190
ISSUE DEPARTMENT			
LIABILITIES			
Notes in circulation	15,533,216,451	+	101,780,197
Notes in Banking Department	6,783,549	-	1,780,197
	15,540,000,000	+	100,000,000
ASSETS			
Government Debt	11,015,100		
Other Government Securities	11,132,909,297	-	355,435,104
Other Securities	4,396,075,603	+	455,435,104
	15,540,000,000	+	100,000,000

BASE LENDING RATES

	%
ABN Bank	15
Adam & Company	15
Allied Trust Bank	15
Allied Irish Bank	15
● Henry Ansbacher	15
Associates Cap Corp	15½
● B & C Merchant Bank	15
Bank of Baroda	15
Banco Bilbao Vizcaya	15
Bank Credit & Comm	15
Bank of Cyprus	15
Bank of Ireland	15
Bank of India	15
Bank of Scotland	15
Banque Belge Ltd	15
Barclays Bank	15
Benchmark Bank PLC	15
Brit Bk of Mid East	15
● Brown Shipley	15
CL Bank Nederland	15
● Charterhouse Bank	15
Citibank NA	15
City Merchants Bank	15
Clydesdale Bank	15
Comm. Bk. N. East	15
Co-operative Bank	*16
Coutts & Co	15
Cyprus Popular Bk	15
Dunbar Bank PLC	15
Duncan Lawrie	15
Equatorial Bank plc	15
Exeter Trust Ltd	15½
Financial & Gen. Bank	15
First National Bank Plc.	16½
● Robert Fleming & Co.	15
Robert Fraser & Ptnrs.	15½
Girobank	15
● Guinness Mahon	15
HFC Bank plc	15
● Hambros Bank	15
Hampshire Trust Plc	15½
Heritable & Gen Inv Bnk.	15
● Hill Samuel	§15
C. Hoare & Co.	15
Hongkong & Shangh	15
● Leopold Joseph & Sons	15
Lloyds Bank	15
Meghraj Bank Ltd	15
McDonnell Douglas Bnk.	15
Midland Bank	15
Mount Banking	15
Nat. Bk. of Kuwait	15
NatWestminster	15
Northern Bank Ltd	15
Nykredit Mortgage Bank	15½
Provincial Bank PLC	16
Roxburghe G'rantee	15½
Royal Bk of Scotland	15
Royal Trust Bank	15
● Smith & Williamson Secs.	15
Standard Chartered	15
TSB	15
UDT Bank Plc	15
● United Bk of Kuwait	15
United Mizrahi Bank	15
Unity Trust Bank Plc	15
Western Trust	15
Westpac Bank Corp.	15
Whiteaway Laidlaw	15
Yorkshire Bank	15

● Members of British Merchant Banking & Securities Houses Association. * Deposit now 5.9% Sunrise 8.5%. Top Tier-£50,000+ instant access 13.7% & Mortgage base rate. § Demand deposit 9%. Mortgage 15.2% - 15.95%

RIGHTS OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1990 High	1990 Low	Stock	Closing Price p	+ or -
20	Nil	-	8pm	6pm	‡ASB Barratt Kinnings 2p	8pm	
‡	Nil	-	½pm	½pm	Amercour Energy 2p	½pm	
20	Nil	-	8pm	¼pm	‡Bioplan Hldgs. 1p	¼pm	
200	Nil	-	26pm	23pm	‡Clinton Cards 10p	25pm	
200	Nil	-	2pm	2pm	Northern Investors £1	2pm	
B165	Nil	-	25pm	8pm	‡Oliver Resources Units	15pm	-1
550	Nil	-	90pm	40pm	Paribas French Units	41pm	+1

a Annualised dividend. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. g Assumed dividend and yield. q Earnings based on preliminary figures. s Dividend and yield exclude special payment. u Forecast, or estimated annualised dividend rate, cover based on previous year's earnings. H Dividend and yield based on prospectus or other official estimates for 1989. K Dividend and yield based on prospectus or other official estimates for 1990-91. L Estimated annualised dividend, cover and p/e based on latest annual earnings. M Dividend and yield based on prospectus or other official estimates for 1990. N Dividend and yield based on prospectus or other official estimates for 1989/90. Q Gross. R Forecast annualized dividend, cover and p/e ratio based on prospectus or other official estimates. W Pro Forma figures. ¶ Issued by tender. ‡ Offered to holders of ordinary shares as a "rights". † Introduction. § Placing price. †† Reintroduction. ‡ Unlisted securities market. ° Third Market. B Units comprising 11 new ord. & 2 warrants. ϕ Issued in connection with reorganisation, merger or takeover.

LONDON RECENT ISSUES

EQUITIES

Issue Price	Am'nt Paid up	Latest Renunc. Date	1990 High	1990 Low	Stock	Closing Price	+ or -	Net Div	Times Cov'd	Gross Yield	P/E Ratio
‡125	F.P.	-	128	110	ABI Leisure 10p	113		N4.7	3.3	5.5	7.4
125	F.P.	-	125	125	Amercour Energy 10p	125		-	-	-	-
-	F.P.	-	206	193	Argos 10p	195½	+2½	15.5	3.0	3.6	9.6
-	F.P.	-	4¼	¼	Courtwell Group Wrrnts	¼		-	-	-	-
100	F.P.	-	97	92	Dartmoor Inv. Tst. 10p	92		K9.8	-	14.2	-
‡	F.P.	-	148	119	F & C Germany Inv. Tst.	125	+4	-	-	-	-
-	F.P.	-	64	48	Do Warrants	51	+3	-	-	-	-
-	F.P.	-	46	31	First Philipine Inv. Tst.	32		-	-	-	-
-	F.P.	-	22	10	Do. Warrants	13	+1	-	-	-	-
-	F.P.	-	14	7	Fisher (Albert) Wrrts.	8		-	-	-	-
100	F.P.	-	98	95	Fleming Euro Fledgling	96	+1	-	-	-	-
-	F.P.	-	40	23	Do Warrants	34	-1	-	-	-	-
500	F.P.	-	98	95	French Property Tst	97	+1	-	-	-	-
500	F.P.	-	35	32	Do. Warrants	35		-	-	-	-
170	F.P.	-	63	46	‡LEICA 5p	56	+2	-	-	-	-
†	F.P.	-	203	203	Northern Investors £1	203xr		N8.0	1.0	5.3	-
‡100	F.P.	-	108	105	OS Hldgs. 10p	106		L3.75	2.1	4.7	11.7
§100	F.P.	-	99	95	Siam Select. Growth Tst.	98		-	-	-	-
-	F.P.	-	33	30	Do. Warrants	33		-	-	-	-
-	F.P.	-	41	31	Templeton Emerg. Wrrnts.	36	-1	-	-	-	-
-	F.P.	-	10	6	Trust of Prop Wrrnts	10		-	-	-	-
8½	F.P.	-	10	9	Venturi Inv Tst Geared 1p	10		-	-	-	-
34	F.P.	-	36	34	Do. Inc. 10p	36		K3.06	-	11.3	-
166½	F.P.	-	175	165	Do. Cap. Indexed 10p	175	+5	-	-	-	-

TRADITIONAL OPTIONS

- ● First Dealings April 17
- ● Last Dealings May 4
- ● Last Declarations July 19
- ● For settlement July 30

For rate indications see end of London Share Service

Calls in Alan Paul, Coloroll, T. Cowie, Parkfield, Regal Hotel and Speyhawk. Puts in Baillie Gifford Japan, First Tokyo Index Tst. and Control Securities. Put and call in Gaelic Res.

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1990 High	1990 Low	Stock	Closing Price £	+ or -
100	F.P.	-	101	90	‡Bluebird Toys 12pc Cv Uns. Ln. 2005	90	
-	F.P.	-	85p	5p	Cooroneil Group 10¼pc (Net) Cv Cm Pf	8pd	
100p	F.P.	-	99½p	96p	Hepworth Cap Fin. 11¼pc Cv Bds 2005	98½p	
100p	25p	-	31p	26p	Reckitt & Colman 9.5pc Cv Bds 2005	29p	+½
100p	F.P.	-	100p	96p	Wyndham Group 9.375pc Cm Pf	98p	
-	F.P.	-	55p	37p	York Trust 8.5p (Net) Rd. Cv.Pf 20p	37p	-5

LONDON STOCK EXCHANGE:Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Talisman system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.

Rule 535(2) and Third Market stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

‡ Bargains at special prices. ♦ Bargains done the previous day.

Corporation and County Stocks
No. of bargains included 6

- Corp of London3½% Deb Stk 83/93 – £70 (1My90)
- Greater London Council6¾% Stk 90/92 – £97¾ ¾
- Birmingham Corp2½% Stk 1926(or after) – £20 (2My90)
  - 3½% Stk 1946(or after) – £25 (30Ap90)
- Bristol(City of)11½% Red Stk 2008 – £84½ (1My90)
- Islington Corp12.65% Red Stk 2007 – £93♦
- Leeds(City of)13¾% Red Stk 2006 – £99¾ 100
- Manchester(City of)11.5% Red Stk 2007 – £90 (27Ap90)

UK Public Boards
No. of bargains included 1

- Agricultural Mortgage Corp PLC4½% Deb Stk 81/91 – £85 (1My90)
  - 5½% Deb Stk 93/95 – £80½ (27Ap90)
  - 6¼% Deb Stk 92/94 – £75 (30Ap90)
  - 6¾% Deb Stk 85/90 – £97¾♦ ⅞♦
  - 7¾% Deb Stk 91/93 – £82 (2My90)
- Clyde Port Authority3% Irrd Stk – £23
- Port of London Authority3½% Stk 49/99 – £50 (1My90)

Commonwealth–Government
No. of bargains included nil

- Jersey Electricity Co Ld6% Gtd Stk 2000 – £90 (1My90)

Foreign Stocks, Bonds, etc–(coupons payable in London)
No. of bargains included 9

- Ireland(Republic of)9¾% Stk 91/96 – £83¾ (27Ap90)
- Abbey National Building Society7¾% Nts Feb 1992 (Br$5000&250000) – $96.2 (30Ap90)
- Anglo Group PLC9¾% Cnv Bds 1999 (Reg) – £77 (1My90)
- ASDA Group PLC4¾% Cnv Bds 2002(Br£1000&5000) – £100½ ¾ (27Ap90)
- Associated Newspapers Holdings Ld6% Exchangeable Bds 2002 – £99
- Banco Nac De Obras Y Serv Pub SA 17¼% Bds 1992 – $18½ (1My90)
- British Gas Intl Finance BV8¾% GtdNts 1999(Br$1000,10000&100000) – $90¾ (30Ap90)
- British Oxygen Finance BV 11¾% Gtd Bds 1991 – £98½ ¼ (2My90)
- British Telecommunications PLC13¾% Nts 1993 (Br£100,1000&10000) – £97⅝ ¾ (2My90)
- Costain Finance NV7.5% GtdRed CnvPrf 2003 £1(Certs to Br) – 81 (2My90)
- Dixons Group (Capital) PLC6¾% Cnv Gtd Bds 2002 (Br£5000&50000) – £54½ (2My90)
- Dow Chemical CoZero Cpn Nts 30/5/97 – £38 ½ (30Ap90)
- General Motors Acceptance Corp8¾% Nts 1994 (Br$1000,10000&100000) – $96 ¾ (1My90)
  - 9% Nts 17/7/96 – $96⅞ 7 (1My90)
- Granada Group PLC11¾% Bds 2019 (Br£10000&100000) – £77½ ¾ (27Ap90)
- Halifax Building Society7¾% Nts 1992 – $96⅝ (30Ap90)
  - 10⅞% Nts 1997 – £93⅝ (27Ap90)
  - Flg Rate Ln Nts 1992(Br£25000) – £100
  - FltgRateLnNts 1996(Ser A)(Br£25000&50000) – £99.93 (30Ap90)
- Hickson Capital Ld7% Cnv Cap Bds 2004 (Reg) – 89½ (30Ap90)
- Hillsdown Hldgs PLC4¾% Cnv Bds 2002 – £94 ½ (1My90)
- Iceland(Republic of)8¾% Stg Ln 83/92 – £90 (30Ap90)
- Ladbroke Group PLC6¾% Subord Cnv Bds 2004(Br£1000&5000) – £93½ (2My90)
- Land Securities PLC9¾% Bds 2007 – £89¾ (1My90)
  - 6¾% Cnv Bds 2002 – £77 (2My90)
- Lewis (John) PLC10¾% Bds 2006 – £75¾ (27Ap90)
- Lloyds Bank PLC11¾% Subord Serial Nts 1998(Br£10000) – £92½ (30Ap90)
- London International Group PLC4½% Cnv Bds 2002 – £97 (2My90)
- Norsk Hydro AS11¾% Nts 1991 – £98⅝ ½ (1My90)
- Norway (Kingdom of)10⅞% Nts 1994 (Br£1000,10000&100000) – £97½ (30Ap90)
- Peninsular & Oriental Steam Nav Co4¾% Cnv Bds 2002 – £93½ (2My90)
- Ranks Hovis McDougall PLC4¾% Cnv Bds 2003 (Br£5000) – £106½
  - 10¾% Subord Bds 1998 (Br£5000&25000) – £83 (27Ap90)
- Saatchi & Saatchi Finance N.V.6¾% RedCnvPrf 2003£1(BrShs1000&10000) – £93¾♦
- Sainsbury (J) (Capital) Ld5% Cnv Cap Bds 2004 (Br£5) – £101½ 2¼ (2My90)
- Slough Estates PLC10% Bds 2007 – £72 (1My90)
  - 6% Cnv Bds 2003 – £93¾ (2My90)
- Sweden(Kingdom of)8¾% Bds 1996 (Br£5000) – £77¾ (30Ap90)
  - 9¾% Nts 1993 – £89.127
- Tesco PLC10¾% Bds 2015 (Br£10000&100000) – £77.285 (2My90)
- THORN EMI Capital NV5¾% Gtd Red Cnv Prf 2004 (Br£5000) – £98¾ (1My90)
- Trusthouse Forte PLC10¾% Nts 1992(Without Warrants) – £91⅞ ¾ (27Ap90)
- WCRS (Netherlands Antilles) Fin NV9¾% Gtd Red Cnv Prf 2004 1p(Reg) – 90½ (1My90)
- E.I. Du Pont de Nemours & Co$C35m 13.75% SeraC 2/5/91(Br$C100000000) – £100½ (2My90)

Sterling Issues by Overseas Borrowers
No. of bargains included 20

- Asian Development Bank10¾% Ln Stk 2009(Reg) – £90⅞ (2My90)
- Australia(Commonwealth of)13.5% Ln Stk 2010 – £101¾ (1My90)
- Caisse Nationale Des Autoroutes16% Gtd Ln Stk 2006 – £118⅞
- Credit Foncier De France 10¾%GtdSerLnStk2011,12,13,14(Reg) – £90¾ ¾ ⅞ (2My90)
  - 14¾% Gtd Ln Stk 2007(Reg) – £109¾ 10½ (2My90)
- Denmark(Kingdom of)13% Ln Stk 2005 – £97 ¾
- Electricite de France11¾% Gtd Ser Ln Stk 2009/12(Reg) – £91.5 ¾ ⅞ (2My90)
- European Investment Bank9% Ln Stk 2001 (Reg) – £75¾
  - 9½% Ln Stk 2009 – £76⅝ ⅞ 7⅛
  - 10¾% Ln Stk 2004(Reg) – £81¾ (2My90)
  - 11% Ln Stk 2002(Reg) – £85¼♦
- Finland(Republic of)11½% Ln Stk 2009(Br£5000) – £87¾♦
- Iceland(Republic of)14¾% Ln Stk 2016 – £104 (30Ap90)
- Inco Ld15¾% Uns Ln Stk 2006 $ Rep Opt – £107
- Inter-American Development Bank9¾% Ln Stk 2015 – £77⅞ ¾
- International Bank for Rec & Dev9½% Ln Stk 2010(Reg) – £75⅞ ¾ ⅞ (2My90)
  - 11.5% Ln Stk 2003 – £89¼♦
- Ireland12½% Ln Stk 2008(Reg) – £96¾
- Montreal(City of)3% Perm Deb Stk – £20 (1My90)
- New Zealand7¾% Stk 88/92 – £85 ¾ (2My90)
  - 11¾% Stk 2008(Reg) – £86¾
  - 11¾% Stk 2008(Br £5000) – £84¾ (2My90)
  - 11¾% Stk 2014(Reg) – £86⅞♦
- Nova Scotia(Province of)11¾% Ln Stk 2019 – £86¾♦
- Petroleos Mexicanos14½% Ln Stk 2006 – £94 (1My90)
- Portugal(Rep of)9% Ln Stk 2016(Reg) – £89
- Province de Quebec12¾% Ln Stk 2020 – £90½ (1My90)
- Spain(Kingdom of)11¾% Ln Stk 2010(Reg) – £89¾ ⅞ (2My90)
- Sweden(Kingdom of)9¾% Ln Stk 2014(Reg) – £75⅞ (2My90)
  - 13.5% Ln Stk 2010(Reg) – £101.825 ¾ ⅞ 2 (1My90)
- Trinidad & Tobago(Republic of)12¾% Ln Stk 2009(Reg) – £85½ (27Ap90)
- United Mexican States16½% Ln Stk 2008(Reg) – £101 (1My90)
  - 16½% Ln Stk 2008(Br) – £101 3 (1My90)

Banks and Discount Companies
No. of bargains included 1855

- Australia & New Zealand Banking GpNew $A1(50% Pd&Rtg 50% Div Till 30/9/90) – 100 (1My90)
- Bank of Ireland(Governor & Co of)7% Ln Stk 86/91 – I£89
- Barclays PLCADR (4:1) – $34.28 (2My90)
- Barclays Bank PLC7¾% Uns Cap Ln Stk 86/91 – £90¾ ¾
  - 8¼% Uns Cap Ln Stk 86/93 – £82 ¾
  - 12% Uns Cap Ln Stk 2010 – £89¾ (2My90)
  - 16% Uns Cap Ln Stk 2002/07 – £111¾♦
- Commercial Bank of Near East PLC £5(Reg) – £5¾
  - Shs of Com Stk Y50 – Y1151.5385 (1My90)
- Midland Bank PLC10¾% Subord Uns Ln Stk 93/98 – £86 ½ 7
  - 14% Subord Uns Ln Stk 2002/07 – £98 ⅜ ¾ ⅞ ⅞ ⅞
- Mitsubishi Trust & Banking CorpShs of Com Stk Y50 – Y2020 (2My90)
- National Westminster Bank PLC7% Cum Prf £1 – 58
  - 9% Subord Uns Ln Stk 1993 – £83 4 5¾ ¾
  - 12½% Subord Uns Ln Stk 2004 – £92¾ ⅞
- Smith,St.Aubyn(Hldgs) PLC9¾% Cum 2nd Prf £1 – 81 4 (2My90)
- Standard Chartered PLC12¾% Subord Uns Ln Stk 2002/07 – £87¾ ⅞
- TSB Group PLC10⅞% Subord Ln Stk 2008 – £80¾ ½ ¾
- TSB Hill Samuel Bank Holding Co PLC8% Uns Ln Stk 89/94 – £75 (30Ap90)
- Warburg (S.G.) Group PLCCnv Dfd 25p – 185
  - 7¾% Cum Prf £1 – 66 8 (30Ap90)
- Wintrust PLC10½% Cum Prf £1 – 97 8

Breweries and Distilleries
No. of bargains included 599

- Allied-Lyons PLCADR (1:1) – $6⅝ (30Ap90)
  - 5½% Cum Prf £1 – 40 (30Ap90)
  - 7½% Cum Prf £1 – 60 (2My90)
  - 3% Red Deb Stk 85/90 – £94½ (30Ap90)
  - 6¾% Red Deb Stk 87/92 – £81 (1My90)
  - 6¾% Red Deb Stk 88/93 – £77 (2My90)
  - 11¾% Deb Stk 2009 – £89¾ (1My90)
  - 5¾% Uns Ln Stk – £35 (27Ap90)
  - 6¾% Uns Ln Stk – £46
  - 7¾% Uns Ln Stk 93/98 – £69 70 ½ (2My90)
- Bass PLC4% Cum Prf £1 – 34 (27Ap90)
  - 7% Cum Prf £1 – 60 (1My90)
  - 3¾% Deb Stk 87/92 – £78¾ 9
  - 8¾% Deb Stk 87/92 – £85½ 6 (2My90)
  - 10¾% Deb Stk 2016 – £90⅞ ⅞ ⅞
  - 4½% Uns Ln Stk 92/97 – £56¾
  - 7¾% Uns Ln Stk 92/97 – £69¾
- Bass Investments PLC7¾% Uns Ln Stk 92/97 – £70 (2My90)
- Boddington Group PLC9¾% Cnv Uns Ln Stk 2000/05 – £139 (30Ap90)
- Bulmer(H.P.)Hldgs PLC9½% Cum Prf £1 – 89 (1My90)
  - 8¾% 2nd Cum Prf £1 – 81
- Greenall Whitley PLC8% Cum Prf £1 – 65 78
  - 10% Deb Stk 2014 – £78½ (1My90)
  - 6¾% Irrd Uns Ln Stk – £64
- Guinness PLCADR (5:1) – $54¼ (30Ap90)
- Hardys & Hansons PLCOrd 25p – 900
  - 5% 1st Cum Prf £1 – 40 (30Ap90)
- Mansfield Brewery PLCOrd £1 – 377 (2My90)
- Scottish & Newcastle Breweries PLC4.6% Cum Prf £1 – 51
  - 6.425% Cum Prf £1 – 75 (27Ap90)
  - 7% Cnv Cum Prf £1 – 131½ 2
  - 7.6% 1st Mtg Deb Stk 89/94 – £80 (2My90)
- South African Breweries Ld7% Red Cum Prf R1 – 8 (30Ap90)
- Vaux Group PLC7% Cum Prf £1 – 58 (30Ap90)
  - 10.75% Deb Stk 2019 – £90¾ 1
- Watney,Mann & Truman Hldgs PLC3¾% Irrd Deb Stk – £30 1 (2My90)
  - 4¾% Red Deb Stk 88/93 – £71¾ (2My90)
  - 7% Red Deb Stk 88/93 – £80
  - 7¾% Red Deb Stk 87/92 – £82¾ (1My90)
  - 10½% Red Deb Stk 90/95 – £88 ½ (27Ap90)
  - 12¾% Red Deb Stk 2008 – £92¾ ⅞ (27Ap90)
- Whitbread & Co PLC6¾% 3rd Cum Prf Stk £1 – 40
  - 7% 3rd Cum Prf Stk £1 – 54 (30Ap90)
  - 6¾% Red Deb Stk 87/92 – £90 ¾
  - 7¾% Red Deb Stk 89/94 – £81½ (1My90)
  - 7½% Uns Ln Stk 88/91 – £91½
  - 7¾% Uns Ln Stk 95/99 – £68
  - 7¾% Uns Ln Stk 96/2000 – £68 (2My90)
  - 10½% Uns Ln Stk 2000/05 – £83 (30Ap90)

Commercial, Industrial, etc
No. of bargains included 11159

- ABI Leisure Group PLCOrd 10p – 110 10 2 2 3 (30Ap90)
- ADT LdADR (10:1) – $26¾
- AMEC PLC15% Uns Ln Stk 1992 – £90 2 (2My90)
- Albright & Wilson Ld7¼% Deb Stk 85/90 – £94½
- Alcan Aluminium LdCom Shs of NPV – $19.85
- Alexon Group PLC6.25p (Net) Cnv Cum Red Prf 10p – 101 ½ (1My90)
- Amber Day Hldgs PLC10¾% Cum Prf 99/2002 £1 – 95 (30Ap90)
- American Brands IncShs of Com Stk $3.125 – £38⅝
- Anglo United PLCCnv Red Prf 10p – 60
- Arcolectric(Hldgs) PLCOrd 5p – 102 (1My90)
- Associated British Foods PLC5½% Uns Ln Stk 87/2002 50p – 25½ (1My90)
  - 7½% Uns Ln Stk 87/2002 50p – 32½ (1My90)
- Attwoods PLCADR (5:1) – $33⅞ 4¼ (2My90)
- Attwoods (Finance) NV8¾p Gtd Red Cnv Prf 5p – 124 5½
- Austin Reed Group PLCOrd 25p – 400
- Automated Security(Hldgs) PLC5% Cnv Cum Red Prf £1 – 150 1
  - 6% Cnv Cum Red Prf £1 – 112 4
- Ayrshire Metal Products PLCOrd 25p – 92 2
- B.A.T Industries PLCADR (1:1) – £7.01 $ 11½ .1725 .3 .34 ½
- B.A.T. Investments PLC10% Uns Ln Stk 90/95 – £97 (2My90)
  - 10½% Uns Ln Stk 90/95 – £95 7
- BICC PLC6% 1st Cum Prf Stk £1 – 52 (30Ap90)
  - 5½% 2nd Cum Prf Stk £1 – 46 (1My90)
  - 7% Deb Stk 85/90 – £97
  - 7¾% Deb Stk 90/95 – £78 (1My90)
- BM Group PLC4.8p (Net) Cnv Cum Red Prf 20p – 117 (27Ap90)
- BOC Group PLCADR (1:1) – $8¾
  - 12¾% Uns Ln Stk 2012/17 – £99¾♦
- BS Group PLCOrd Stk 5p – 385 (30Ap90)
- STP PLC7.5p(Net) Cnv Cum Red Prf 10p – 103 (2My90)
- Bardon Group PLC5p (Net) Cnv Cum Red Prf 10p – 98
- Barr & Wallace Arnold Trust PLCOrd 25p – 700 (30Ap90)
- Barrow Hepburn Group PLC7.75% Cum Prf £1 – 70 (27Ap90)
- Beazer PLC8.67% Cum Red Prf £1 – 96 7 (1My90)
  - 8¾% Cnv Uns Ln Stk 2000 – £101
- Bemrose Corp PLC7¾% Cum Prf £1 – 60 (27Ap90)
- Birmid Qualcast PLC7½% Uns Ln Stk 87/92 – £80 (2My90)
- Blue Circle Industries PLC5¾% 2nd Deb Stk 1984/2009 – £52½ (30Ap90)
- Boots Co PLCADR (2:1) – $8.4 (2My90)
  - 7¾% Uns Ln Stk 88/93 – £78 81 1 ½ 2 (2My90)
- Bowater Industries PLC4.20% Cum Prf £1 – 88 (27Ap90)
- Bowthorpe Hldgs PLC8% Deb Stk 88/93 – £78 (2My90)
- Braithwaite PLCCnv Prf 50p – 65 (30Ap90)
- Brent Chemicals International PLC9% Cum Red Prf £1 – 79¼♦
- Bridon PLC6¾% Uns Ln Stk 2002/07 – £53
- British Airways PLCADR (10:1) – $32.22 ¾
- British Alcan Aluminium PLC10½% Deb Stk 2011 – £78¾
- British-American Tobacco Co Ld5% Cum Prf Stk £1 – 41 (30Ap90)
  - 6% 2nd Cum Prf Stk £1 – 49
- British Fittings Group PLC5.5% Cnv Red Prf £1 – 75 (1My90)
- British Shoe Corp Hldgs PLC6½% Cum Prf £1 – 52♦
  - 5¾% Cum 2nd Prf £1 – 47
  - 6½% Cum 3rd Prf £1 – 53 (27Ap90)
  - 7% Uns Ln Stk 85/90 – £93½ (1My90)
- British Steel PLCOrd 50p – 138¾ 40 40 ¼ ½ ½ .859 1 1 ½ ½ 2 2 ¼
  - ADR (10:1) – $22¾ ⅞ 3
- British Sugar PLC10¾% Red Deb Stk 2013 – £82¾ ⅞
- British Syphon Industries PLCOrd 20p – 167 (30Ap90)
- Brown & Jackson PLCOrd 20p (Rfd–1/1/90) – 47 (1My90)
  - 10.75% Cnv Cum Prf £1 – 91
- Buckingham International PLCNew Ord 10p – 78 ½ (2My90)
- Bulgin(A.F.) & Co PLCOrd Stk 5p – 85
- Bunzl PLC7% Cnv Uns Ln Stk 95/97 – 263
- Burndene Investments PLC15% Uns Ln Stk 2007/12 – £100
- Burton Group PLC8% Cnv Uns Ln Stk 1996/2001 – £94 4 6 8
- Butlin's Ld6% 2nd Mtg Deb Stk 92/97 – £75½ (2My90)
- CRH PLC7% "A" Cum Prf Ir£1 – I£0.55
- Caird Group PLC7p Cum Cnv Red Prf 2009 10p – 115 .384 ½ 7½ (2My90)
- Canadian Overs Pack Industr LdCom Npv – 430 (30Ap90)
- Canadian Pacific Ld4% Non-Cum Prf £Stg NPV – $0.85 (27Ap90)
  - 4% Non-Cum Prf(Interch Transf) £Stg NPV – $0.85 (27Ap90)
  - 4% Non-Cum Prf SC NPV – $0.85 (27Ap90)
- Caparo Industries PLC8.75p Dividend Cnv Cum Red Prf 20p – 135 (2My90)
- Cape PLC10% Deb Stk 88/91 – £90 (1My90)
- Carclo Engineering Group PLC10½% Cum Red Prf £1 – 92 (30Ap90)
- Carlton Communications PLCADR (2:1) – $16 ¼ .4
- Carter Hawley Hale Stores IncShs of Com Stk $0.01 – $6.01479 (30Ap90)
- Centex CorporationShs of Com Stk $0.25 – $37⅞
- Centreway Trust PLC11% Cum Prf £1 – 74
- Channel Tunnel Investments PLC5p – 90 (30Ap90)
- Chyvision PLC8.5%(Net) Cnv Cum Red Prf £1 – 168 70
- Clyde Blowers PLCOrd 25p – 325 (30Ap90)
- Coats Patons PLC4¼% Uns Ln Stk 2002/07 – £41
  - 6¾% Uns Ln Stk 2002/07 – £54½ (30Ap90)
  - 7½% Uns Ln Stk 90/95 – £73½
- Coats Viyella PLC4.9% Cum Prf £1 – 40 3 (2My90)
- Cohen(A.) & Co PLCNon.V "A" Ord 20p – 600 (30Ap90)
- Coloroll Group PLC9p Cum Red Prf 2005 10p – 15 ⅞ (2My90)
- Cookson Group PLC7% Cum Prf £1 – 57½ (1My90)
- Cooper (Frederick) PLC6.5p (Net) Cnv Red Cum Ptg Prf 10p – 60 4 (2My90)
- Courtaulds PLCADR (1:1) – $4.874838 .998833 (27Ap90)
  - 7¾% Deb Stk 89/94 – £81½ ¾
  - 6½% Uns Ln Stk 94/96 – £68 9 ½
  - 7¾% Uns Ln Stk 94/96 – £70 2
  - 7¾% Uns Ln Stk 2000/05 – £63 (1My90)
- Courts(Furnishers) PLC7.9% (5.9% Net) Cum Prf £1 – 63 (30Ap90)
- Crowther(John Edward)(Hldgs) PLC5½% Cum Prf £1 – 55
- Crystalate Hldgs PLC6¾% Cnv Uns Ln Stk 2008 – £80 (2My90)
- Dalgety PLC4.85% Cum Prf £1 – 58 (2My90)
- Dana Ld9% Uns Ln Stk 87/92 – £80 (1My90)
- Davenport Knitwear PLCOrd 10p – 400 (30Ap90)
- Davies & Metcalfe PLC"A"(Non.V)Ord 10p – 243 (1My90)
- Debenhams PLC7¾% 2nd Deb Stk 91/96 – £72½ (27Ap90)
  - 7¼% Uns Ln Stk 2002/07 – £58 (1My90)
  - 7¾% Uns Ln Stk 2002/07 – £58
- Delta PLC7¾% Deb Stk 85/90 – £94
  - 10¾% Deb Stk 95/99 – £86 (30Ap90)
- Dencora PLC6.25% Cum Cnv Red Prf £1 – 114 (27Ap90)
- Dewhurst PLCOrd 10p – 63
- Diploma PLC10½% Uns Ln Stk 90/95 – 283 (30Ap90)
- Dowty Group PLC7% Cnv Cum Red Prf £1 – 98
- ECC Group PLCADR (3:1) – £10.97 (27Ap90)
- EMC Group PLCOrd 5p (Ex Div) – 98 (30Ap90)
- Eastern Produce(Hldgs) PLC10½% Uns Ln Stk 92/97 – £80 (30Ap90)
- Egerton Trust PLC9.75% 1st Cum Red Prf £1 – 74 (27Ap90)
- Elliott(B.) PLC7% Cnv Cum Red Prf £1 – 80½ 3 (2My90)
- Elswick PLC6% Cnv Cum Red Prf 92/94 £1 – 160 (2My90)
- Eye(Wimbledon) PLCOrd 25p – 975 (27Ap90)
- Euro Disneyland S.C.A.Shs FR10 (Depositary Receipts) – £10.6 10.65 10.65 10.7 10.8 10.85 10.88 10.9 11 $ 17.79 17⅞
  - Shs FR10 (Br) – £10.7266 10.9 $ 18 FR99 100¾ ¾ 1 .2 .28 .3 ½ .6 .8
- European Home Products PLC8¾% Cum Red Prf 2001/06 £1 – 83 ½ ½ 4½ (2My90)
  - 5¾% Cnv Cum Red Prf 2006/11 £1 – 82 (30Ap90)
- Eurotunnel PLC/Eurotunnel SA Units (1 EPLC Ord 40p & 1 ESA FR10) (Br) – FR53.3 (30Ap90)
  - Units (Sicovam Inscribed) – £5.61 5.65 5.66 FR54.678575
- Evered PLC3.85% Cum Prf £1 – 45
  - 11.25p Cum Red Prf 2005 10p – 92½♦
- Ex-Lands PLCWarrants to sub for Shs – 35
- Executex Clothes PLCOrd 20p – 25 (30Ap90)
- FII Group PLC7.7% Cnv Cum Red Prf 95/99 £1 – 120 (2My90)
- Ferranti International PLC5.6% 1st Cum Prf £1 – 70 (30Ap90)
- Fisher(Albert)Group PLCWarrants To Sub For Ord – 6
  - ADR (10:1) – $16¾
- Fisons PLCADR (4:1) – $21.355 ¾
  - 6¾% Uns Ln Stk 2004/09 – £50♦
  - Com $0.625 – $40.5861 .7736 .836133 (30Ap90)
- Fobel International PLC8% Uns Ln Stk 88/93 – £75 (30Ap90)
- Folkes Group PLCOrd 5p – 88
- Foseco PLC4¾% Cum Prf £1 – 50 (30Ap90)
- Foster(John) & Son PLC4½% Cum Prf Stk £1 – 35
- Foxboro CoCom Stk $1 – $22.975 (27Ap90)
- Francis Industries Ld9% Uns Ln Stk 94/99 – £72 4 (2My90)
- Friendly Hotels PLC4¾% Cnv Cum Red Prf £1 – 90
  - 5% Cnv Cum Red Prf £1 – 162
  - 7% Cnv Cum Red Prf £1 – 95 (30Ap90)
- Frogmore Estates PLC13.85% 1st Mtg Deb Stk 2000/03 – £96½
- GKN (United Kingdom) PLC7¾% Gtd Deb Stk 88/91 – £93
  - 10¾% Gtd Deb Stk 90/95 – £85
- G.R.(Hldgs) PLC10¾% 2nd Cum Prf £1 – 90 (30Ap90)
- General Electric Co PLCADR (1:1) – $3¾ (30Ap90)
  - 7¼% Uns Ln Stk 87/92 – £84 (2My90)
  - 7¾% Uns Ln Stk 88/93 – £80 (1My90)
- General Motors Corp7⅞% Gtd Uns Ln Stk 87/92 – £85 (30Ap90)
- Gestetner Hldgs PLCOrd Cap 25p – 208
  - 10% Cnv Uns Ln Stk 90/95 – £115 (27Ap90)
- Glaxo Group Ld6¾% Uns Ln Stk 85/95 50p – 35 (30Ap90)
  - 7¼% Uns Ln Stk 85/95 50p – 36
- Glynwed International PLC7¾% Deb Stk 89/94 – £75 (1My90)
  - 10¾% Uns Ln Stk 94/99 – £81 3
- Goodwin PLCOrd 10p – 28 (2My90)
- Grand Metropolitan PLC5% Cum Prf £1 – 42 (27Ap90)
  - 6¾% Cum Prf £1 – 48 (27Ap90)
- Great Universal Stores PLCADR (1:1) – $14.22 (27Ap90)
  - 5¾% Red Uns Ln Stk – £39
  - 8¾% Uns Ln Stk 93/98 – £72 (1My90)
- Halstead(James) Group PLC5½% Cum Prf £1 – 47 (2My90)
- Hasbro IncShs of Com Stk $0.50 – $17¾♦
- Hawker Siddeley Group PLC5½% Cum Prf £1 – 48 (1My90)
  - 7¾% Deb Stk 87/92 – £82½
- Hepworth Capital Finance Ld11.25% Cnv Cap Bds 2005 (Reg) – 97 8 8
- Herrburger Brooks PLC25p – 195 (27Ap90)
- Hewitt(J.) & Son(Fenton) PLC10% Cum Prf £1 – 83
- Hillsdown Hldgs PLCADR(4:1) – $15¾
- Honda Motor Co LdShs of Com Stk Y50 – Y1780 90
- House of Fraser PLC6¾% Uns Ln Stk 93/98 – £73
- Howard & Wyndham PLC18% Uns Ln Stk 76/91 – £90
- IMI PLC7¾% Uns Ln Stk 86/91 – £89¾ (27Ap90)
  - 7¾% Uns Ln Stk 88/93 – £80 (2My90)
- Iceland Frozen Foods Hldgs PLCCnv Cum Red Prf 20p – 83
- Illingworth,Morris Ld6½% Cum Prf Stk £1 – 50 (2My90)
  - 6¾% Cum 2nd Prf Stk £1 – 50 (2My90)
- Illingworth Morris (Saltaire) Ld4½% Cum 1st Prf £1 – 35
- Johnson & Firth Brown PLC11.05% Cum Prf £1 – 90 (30Ap90)
  - 11% Uns Ln Stk 93/98 – £80½ (2My90)
- Johnson Group Cleaners PLC7.5p (Net) Cnv Cum Red Prf 10p – 108 (2My90)
  - 9% Cum Prf £1 – 80 (30Ap90)
- Johnson,Matthey PLC8% Cnv Cum Prf £1 – 385 5 (2My90)
  - 8½% Mtg Deb Stk 85/95 – £80 (30Ap90)
- Johnston Group PLC10% Cum Prf £1 – 85 90
- Keppel Corporation LdOrd S$1 – S$7.05 .07115
- Kershaw(A.) & Sons PLC"B" Prf(12¼% Non-Cum)45p – 20 (2My90)
- Kymmene CorporationShs FM20 (Unrestricted) – FM99♦
- Ladbroke Group PLCADR (1:1) – $4.24 (30Ap90)
  - 8% Gtd Uns Ln Stk 90/92 – £87 (30Ap90)
- Lamont Hldgs PLC10% 3rd Cum Prf £1 – 90 (30Ap90)
- Laporte PLC8% Deb Stk 93/98 – £72½ (2My90)
- Lewis(John) PLC5% 1st Cum Prf Stk £1 – 40 (1My90)
  - 7% Cum Prf Stk £1 – 58 (1My90)
- Lewis(John)Partnership PLC5% Cum Prf Stk £1 – 41
  - 7½% Cum Prf Stk £1 – 60
- Liberty PLC6% Cum Prf £1 – 58 (1My90)
- Life Sciences International PLC8% Cum Cnv Red Prf £1 – 190 (30Ap90)
- Lilley PLCOrd 12.5p(Rfd–1/1/90) – 58 (27Ap90)
- Lily (Eli) & CoShs of Com Stk NPV – $86.41582 (1My90)
- London International Group PLCADR (5:1) – $18.2 (27Ap90)
- Lonrho PLC9% 2nd Mtg Deb Stk 87/92 – £80
- Lookers PLC8% Cnv Cum Red Prf £1 – 67
- Low(Wm) & Co PLC6.75% Cum Cnv Red Prf £1 – 153 5
- Lucas Industries PLC6½% 1st Prf £1 – 47 (2My90)
  - 10¾% Uns Ln Stk 92/97 – £88
- Lyon & Lyon PLC4.1% Cum Prf £1 – 55
- McAlpine(Alfred) PLC9% Cum Prf £1 – 78 (1My90)
- Macarthy PLC5¾% "B" Cum Red Prf £1 – 54
- McCarthy & Stone PLC8.75% Cum Red Prf 2003 £1 – 58 (30Ap90)
  - 7% Cnv Uns Ln Stk 99/04 – £40 ⅞ (1My90)
- Manpower PLCADR (10:1) – $13¾♦ ⅞♦ ⅞♦
- Marks & Spencer PLCADR (6:1) – $17.87 (27Ap90)
  - 10% Cum Prf £1 – 90 (1My90)
- Marshalls PLC11¾% Deb Stk 2014 – £93⅝ (27Ap90)
- Mecca Leisure Group PLC7.25p (Net) Cnv Cum Red Prf 20p – 46 ¼ 7 7 .2 ¼ .45 ½ 8 8
- Medeva PLCWarrants to sub for Ord – 55
- Menzies(John) PLC9% Cum Prf £1 – 90
- Mitsubishi Electric CorporationShs of Com Stk Y50 – Y971 (2My90)
- Monsanto CoCom Stk $2 – $100.78164 DM169.192174 (30Ap90)
- Montedison S.P.A.Savings Shs L1000 (Cpn 6) – L1196 203 6 7 (2My90)
- Mount Charlotte Investments PLC10¾% 1st Mtg Deb Stk 2014 – £81⅞ ⅞ ⅞ 2½
- NCR CorpCom Stk $5 – £99¾ (1My90)
- NMC Group PLCWarrants to sub for Shs – 70 (27Ap90)
- NSM PLC8.5p (Net) Cnv Cum Red Prf 10p – 89 (1My90)
- News International PLC7% 1st Cum Prf £1 – 60 (1My90)
- Next PLC7%"A" Cum Prf £1 – 50 (2My90)
  - 10%"B" Cum Prf 50p – 34 5 (2My90)
- Normans Group PLC8¾% Cnv Uns Ln Stk 99/04 – £55
- Norsk Data ASClass "B" (Non Vtg) NK20 – $7⅞ NK47 (2My90)
- North Midland Construction PLCOrd 10p – 178 (2My90)
- Northern Engineering Industries PLC9¾% Uns Ln Stk 88/93 – £80 (2My90)
  - 9% Uns Ln Stk 90/95 – £75
- Oceonics Group PLC9¾% Cum Red Prf 1993 £1 – 77
  - Warrants to sub for Ord – 13
- Owen & Robinson PLC8¾% (Net) Cnv Cum Red Prf £1 – 75 (27Ap90)
- PFG Hodgson Kenyon Intl PLC6.75% Cnv Prf 91/2001 10p – 71 .928 2
- Paramount Communications IncCom Stk $1 – £26.7 (2My90)
- Parkfield Group PLCCum Red Prf 2010/13 £1 – 87 (30Ap90)
- Paterson Zochonis PLC10% Cum Prf £1 – 89
- Pavilion Leisure PLCOrd 10p – 38 8 9 43
- Pearson PLC5.675% Uns Ln Stk 88/93 – £80 (27Ap90)
  - 6.975% Uns Ln Stk 88/93 – £70 (27Ap90)
  - 8.25% Uns Ln Stk 88/93 – £82
  - 13.625% Uns Ln Stk 2007 – £98¾ ⅞ 9
- Pergamon AGB PLC7% Cum Prf £1 – 60 70 (30Ap90)
- Pittard Garnar PLC9¾% Cum Prf £1 – 77 (27Ap90)
- Queens Moat Houses PLC10¾% 1st Mtg Deb Stk 2020 – £77⅞
- R.E.A.Hldgs PLC9% Cum Prf £1 – 76
  - 12% Cnv Uns Ln Stk 2000 – £85
- RPH Ld4¾% Uns Ln Stk 2004/09 – £30 5
  - 9% Uns Ln Stk 99/2004 – £80
- Racal-Chubb Ld8¾% Uns Ln Stk 87/92 – £88 (1My90)
- Racal Electronics PLCADR (2:1) – $9.15 .23 .235 .275
- Racal Telecom PLCADR(10:1) – $53 ¾ ¼ .36 ¾ ½
- Ramar Textiles PLC5% Cum Prf £1 – 40
- Ranks Hovis McDougall PLC6% Cum "A" Prf £1 – 50
  - 6% Cum "B" Prf £1 – 50 (30Ap90)
  - 8¾% Uns Ln Stk 90/94 – £80 (1My90)
  - 8¾% Uns Ln Stk 91/95 – £81¾♦
- Ransomes PLC8.25p (Net) Cum Cnv Prf 12.5p – 88 (2My90)
- Ratners Group PLCADR (3:1) – £10.72♦
  - 6.75p Cnv Cum Non-Vtg Red Prf 20p – 84
- Reckitt & Colman PLC5% Cum Prf £1 – 41 (30Ap90)
- Reckitt & Colman Capital Finance Ld9.5% Cnv Capital Bds 2005 (25p Pd) (Reg) – 27¾ 8¼ ½
  - 6% Cum Prf £1 – 39¾♦
  - 5½% Cum Red Prf £1 – 44♦
- Renold PLC6% Cum Prf Stk £1 – 48 (2My90)
  - 7¾% 2nd Deb Stk 92/97 – £88 (1My90)
  - 8% 1st Deb Stk 91/96 – £73 (1My90)
- Rockware Group PLC6¾% Cum Prf £1 – 80
  - 7.25% Cnv Cum Red 2nd Prf £1 – 79 80
  - 8% Uns Ln Stk 95/99 – £80 (1My90)
- Rohr Industries IncShs of Com Stk $1 – $19 (1My90)
- Ropner PLC11¾% Cum Prf £1 – 92
- Rotork PLC9½% Cum Prf £1 – 93 (2My90)
- Rugby Group PLC6% Uns Ln Stk 93/98 – £80
- Russell(Alexander) PLC5.75% Cum Cnv Red Prf – 77 (2My90)
- SD-Scicon PLC6.5% Cnv Cum Red Prf £1 – 128 (2My90)
  - Warrants to sub for Ord – 13
- Saatchi & Saatchi Co PLCADR (3:1) – £3.045 $ 4.739842 ¾ ⅞ 5.105 .2 ¼
  - 6% Cnv Uns Ln Stk 2015 – £36 (30Ap90)
- Sainsbury(J) PLCADR (1:1) – $4.03 (27Ap90)
  - 8% Irrd Uns Ln Stk – £83
- Sanderson Murray&Elder(Hldgs) PLCOrd 50p – 180 (2My90)
- Savoy Hotel PLC4% 1st Mtg Perp Deb Stk – £34 6¾ (1My90)
- Scantronic Hldgs PLC7.25p (Net) Cnv Cum Red Prf 20p – 113 (2My90)
- Scapa Group PLC8% Uns Ln Stk 88/93 – £76
- Sears PLC12¾% Cum Prf £1 – 95
  - 7¼% Uns Ln Stk 92/97 – £71 (30Ap90)
- Securicor Group PLC6¾% Cum Ptg Prf £1 – £115 (1My90)
- Shoprite Group LdOrd 5p – 150 (1My90)
- Sidlaw Group PLC7¾% Uns Ln Stk 2003/08 – £50 (27Ap90)
- Sirdar PLC7¾% Cum Prf £1 – 64 (30Ap90)
- 600 Group PLC8¾% Uns Ln Stk 87/92 – £87 (2My90)
- Slingsby(H.C.)PLCOrd 25p – 480
- Smith (W.H.) Group PLC"B" Ord 10p – 58
  - 8% Red Deb Stk 87/92 – £89¾
  - 5¾% Red Uns Ln Stk – £40
- SmithKline Beecham PLCADR (5:1) – $38⅝ .99 9.265
- SmithKline Beecham PLC/SmithKlineADR (1:1) – $35 ¾ ¼ .236 ¼ .265 .28 .39 ½
- Smurfit(Jefferson)Group PLCPrf Curr Units (Without sub Rts) Ir£0.02 – I£1 (2My90)
  - 9¼% Cnv Uns Ln Nts – I£193
- Spear(J.W.) & Sons PLCOrd 25p – 292
- Sperati(C.A.)(Special Agency)Ord 50p – £13¾ 4¼ ½ (30Ap90)
- Spong Hldgs PLC7% Cnv Cum Red Prf £1 – 52 (2My90)
- Stag Furniture Hldgs PLC11% Cum Prf £1 – 79 (27Ap90)
- Sterling Industries PLC1st Prf(5½% Cum)£1 – 35 (1My90)
- Storehouse PLC9% Cnv Uns Ln Stk 1992 – £87 7
- Swire(John) & Sons Ld6.5% Cum Prf £1 – 57½ 8
- T & N PLC8% Mtg Deb Stk 87/92 – £85 (1My90)
  - 10.1% Mtg Deb Stk 90/95 – £85½ (30Ap90)
- Tarmac PLC6¾% Deb Stk 89/94 – £76 (2My90)
  - 7¾% Deb Stk 87/92 – £86½ (1My90)
  - 7½% Deb Stk 92/97 – £74¼♦
- Tate & Lyle PLC6½% Cum Prf Stk £1 – 52 (1My90)
  - 7¾% Deb Stk 89/94 – £80♦
- Taylor Woodrow PLC9¾% 1st Mtg Deb Stk 2014 – £72⅞ ½ ¾ ¾
- Telfos Hldgs PLCWarrants to sub for Ord – 95 (2My90)
- Tesco PLCADR (1:1) – $3.39 (2My90)
  - 4% Uns Deep Disc Ln Stk 2006 – £38⅞ (2My90)
- Tilling(Thomas) PLC5.25% Cum Prf £1 – 62 (2My90)
  - 8% Deb Stk 85/90 – £96½ (30Ap90)
  - 6½% Uns Ln Stk 89/94 – £81½
- Tiphook PLCOrd 10p (Ex Div)(Rest Trans) – 457 (30Ap90)
- Tootal Group PLC5% Cum Prf £1 – 45 (1My90)
  - 7¾% Uns Ln Stk 89/94 – £80 (2My90)
- Towles PLC"A" Non.V.Ord 10p – 85 (27Ap90)
  - 5% "A" Cum Prf 50p – 37 (30Ap90)
  - 6% "B" Ptg Prf 50p – 52 (30Ap90)
- Trafalgar House PLC7% Uns Deb Stk £1 – 60 (30Ap90)
  - 8% Uns Ln Stk 94/99 – £69 (2My90)
  - 9½% Uns Ln Stk 2000/05 – £70 (30Ap90)
  - 10½% Uns Ln Stk 2001/06 – £77½ 8⅜
- Triefus PLC20% Cum Prf 25p – 40 5 (27Ap90)
  - 5% Cum Prf Stk £1 – 50 (2My90)
- Trusthouse Forte PLCWarrants to sub for Ord – 60
  - 10.5% Mtg Deb Stk 91/96 – £85⅝
  - 9.1% Uns Ln Stk 95/2000 – £70 (30Ap90)
- Unicorn Industries PLC6½% Uns Ln Stk 2000/05 – £68
- Unigate PLC5% Uns Ln Stk 91/96 – £65 (1My90)
  - 6½% Uns Ln Stk 91/96 – £70
- Unilever PLCADR (4:1) – £25.49 $ 74¼ 74.8 74.9
  - 5¾% Uns Ln Stk 91/2006 – £50
  - 8% Uns Ln Stk 91/2006 – £62 5¾ ¾ 6 ¼ ¾
- Union International Co PLC6% Cum Prf Stk £1 – 47 (2My90)
  - 7% Cum Prf Stk £1 – 55
- United Scientific Hldgs PLC5.6% Cnv Cum Non-Vtg Red Prf £1 – 40
- Upton & Southern Holdings PLCOrd 25p – 18
- Vickers PLC5% Cum(Tax Free To 30p)Prf Stk £1 – 60
- WCRS Group PLCADR (2:1) – $7.95 (27Ap90)
  - 5½% Cnv Cum Red Prf 1999 10p – 101 ½ (1My90)
- Wagon Industrial Hldgs PLC7.25p (Net) Cnv Ptg Prf 10p – 82 4½ (1My90)
- Walker & Staff Hldgs PLCOrd 5p – 153
- Walker(Thomas) PLCOrd 5p – 48 ½‡ (27Ap90)
- Warner-Lambert CoCom Stk $1 – £63¾ (2My90)
- Waverley Cameron PLC7.5p (Net) Cnv Cum Red Prf 5p – 57½ ⅞ (2My90)
- Weir Group PLC6¾% Deb Stk 85/90 – £90 (27Ap90)
- Wembley PLC7.5% Cnv Uns Ln Stk 1999 – 279 80
- Westerly PLC11% Cum Prf £1 – 74
- Westland Group PLCWarrants to sub for Ord – 35
  - 7¾% Cnv Cum Prf £1 – 135 (2My90)
- Wilson(Connolly)Hldgs PLC10¾% Cum 2nd Prf £1 – 89 (2My90)
- Xerox CorpCom Stk $1 – £28.597505
- Yule Catto & Co PLC11¾% Cum Red Prf 1998/2003 £1 – 97 (27Ap90)

Financial Trusts, Land, etc
No. of bargains included 254

- Aitken Hume International PLC7% (Net) Cnv Cum Red Prf £1 – 100
- Armour Trust PLC10¾% Uns Ln Stk 91/96 – £75 (1My90)
- Australian Agricultural Co Ld$A 0.50 – 450♦
- Authority Investments PLC8% Cnv Uns Ln Stk 2006/11 – £45 (30Ap90)
- Brown Shipley Stg Bond Fund LdPtg Red Prf 1p – £8.62 (30Ap90)
- Cater Allen Gilt Income Fd LdPtg Red Prf 1p – £5.6 (1My90)
- Daily Mail & General Trust PLCOrd 50p – 248
- EFT Group PLCWarrants to sub for Ord – 4 (30Ap90)
- Exploration Co PLCOrd Stk 5p – 180 (1My90)
- First Debenture Finance PLC11.125% Severally Gtd Deb Stk 2018 – £93¾ (1My90)
- First National Finance Corp PLC10% Subord Uns Ln Stk 1992 – £88 (30Ap90)
- G.T. Berry Japan Fund Ld$0.10 – $33.33 (30Ap90)
- G.T. Chile Growth Fund LdOrd $0.01 – $8¾ (1My90)
  - Warrants to sub for Ord – $3¾ (27Ap90)
- Greece Fund LdShs $0.01 (IDRs to Br) – $2425
  - Depositary Warrants to sub for Shs – £164.333536 $ 270 270 290
- Hafnia Holdings A/SWts to sub for "A"&"B" – £27 27 29½
- Intl Stock Exchange of UK&Rep of IrLd 7¾% Mtg Deb Stk 90/95 – £74½ (2My90)
- Korea-Europe Fund LdShs $0.10 – $6¾♦
  - Shs(IDR to Br) $0.10 (Cpn 3) – $2925 2969¾
- MIM Britannia Jersey Gilt Fund LdPtg Red Prf 1p – 14.68 (1My90)
- Malaysia Select Fund LdWarrants to sub for Ptg Shs – $1¾
- Malaysian Smaller Cos Fund (Cayman)Ld Ord $0.01 – $9¼ (27Ap90)
- Manila Fund (Cayman) LdPtg Red Prf $0.01 – $8 (2My90)
- Mediterranean Fund LdWarrants to sub for Shs – $24 (27Ap90)
  - Depositary Warrants (Br) – $25 (1My90)
- Mercury Selected TrustShs NPV Global Fund(Reg) – £25.113457 (1My90)
- Mezzanine Capital&Inc Tst 2001 PLCInc Shs £1 – 132¾
- National Home Loans Hldgs PLCOrd 15p – 115 9
  - 7.5% Cnv Prf £1 – 75
- Northern Investors Co PLCOrd £1(Ex Rts & Ex Div) – 200 ½ 5 (27Ap90)
  - New Ord £1 (Nil Pd–17/5/90) – 1 1 2 (27Ap90)
- Oporto Growth Fund LdPtg Red Prf $0.01 (Br) – $9
- Practical Investment Co PLCOrd 10p – 98
- RBC International Bond Fund LdPtg Red Prf $0.01 – 27.45227♦
- Renaissance Hldgs PLC8.5% Cnv Uns Ln Stk 1994 – £85 (27Ap90)
- Royal Trust Government Secs Fund LdPtg Red Prf 1p – 53.01 (27Ap90)
- Save&Prosper Stg Deposit Fund LdPtg Red Prf 1p – 315.7 (27Ap90)
- Scottish Asian Investment Co LdWarrants to sub for Ptg Shs – $2¾ (2My90)
- Siam Smaller Companies Fund LdOrd $0.01 – $9¾ (27Ap90)
- Sime Darby Berhad$M 0.50 – 78♦
- TR Worldwide Strategy Fund SicavShs NPV (UK Special Opportunities Fund) – $0.77 (30Ap90)
- Thai Prime Fund LdPtg Red Prf $0.01 – $22.165♦
- Thailand International Fund LdPtg Shs $0.01 (IDR's to Br) – $18¾
- Thornton Pacific Investment Fund SA£1 – £11.07 (27Ap90)
- 3i PLC7¾% "A" Deb Stk 89/92 – £83 (2My90)
  - 7¾% "A" Deb Stk 91/94 – £78¾ (1My90)
  - 9% "A" Deb Stk 91/94 – £83 (1My90)
  - 12¾% Uns Ln Stk 1992 – £95¾
- Value & Income Trust PLCWarrants 89/94 to sub for Ord – 12
- York Trust Group PLC8.5p (Net) Red Cum Cnv Prf 20p – 37 9

Insurance
No. of bargains included 449

- Alexander & Alexander Services IncShs of Class C Com Stk $1 – £14½ (27Ap90)
- Commercial Union Assurance Co PLC5% Cum Red Prf 89/2009 £1 – 48 (2My90)
- Ecclesiastical Insurance Office PLC10% Red 2nd Cum Prf £1 – 94 (2My90)
- General Acc Fire&Life Assc Corp PLC 7¾% Uns Ln Stk 87/92 – £89♦
  - 7¾% Uns Ln Stk 92/97 – £71
- Guardian RoyalExchange AssurancePLC 7% Cum Red Prf £1 – 70
  - 7% Uns Ln Stk 86/91 – £88

Investment Trusts
No. of bargains included 792

- Abtrust New Dawn Inv Trust PLCOrd 25p – 118 8 20 1
  - Warrants to sub for Ord – 67 (27Ap90)
- Abtrust New European Inv Trust Plc Warrants To Sub For Ord – 35 8
- Alliance Trust PLC4¾% Prf Stk (Cum) – £38 (30Ap90)
- Baillie Gifford Shin Nippon PLCWarrants to sub for Ord – 79 (2My90)
- British Assets Trust PLC"A" 5% Prf Stk(Cum) – £43
  - Equities Index ULS 2005 10p – 103¾ 4
- British Investment Trust PLC11.125% Secured Deb Stk 2012 – £95¾
- Capital Gearing Trust PLCOrd 25p – 440
- Channel Islands & Intl Inv Trust LdPtg Red Prf 1p – 133 (27Ap90)
- Children's Medical Charity Inv TstPLC Ord £1 – 61½ (1My90)
  - Warrants to sub for Ord – 7♦
- City of Oxford Investment Trust PLCOrd Inc 5p – 48
- Danae Investment Trust PLCWts to Subscribe for 1 Inc & 1 Cap – 51 2 3 (27Ap90)
- Dartmoor Investment Trust PLCOrd 10p – 90
  - 6.25% RPI-Linked Deb Stk 2005 – £103½ (1My90)
- Dunedin Income Growth Inv Tst PLC3¾% Cum Prf Stk – £43
  - 11.5% Deb Stk 2016 – £86⅞ 6½ (1My90)
- Dunedin Worldwide Inv Trust PLC3½% Cum Prf Stk – £45 (27Ap90)
- Edinburgh Investment Trust PLC11¾% Deb Stk 2014 – £87⅞ ¾ (2My90)
- F.& C. Eurotrust PLC5¾% Cnv Uns Ln Stk 1998 – £295 305
- F.& C. Germany Investment Trust PLCOrd 25p – 120 2
  - Warrants 91/2000 to sub for Ord – 47 (2My90)
- F.& C. Pacific Investment Trust PLC Warrants to sub for Ord – 101
- Fifth Throgmorton Co PLC7.25% Cnv Uns Ln Stk 2003 – £94
- Fleming American Inv Trust PLC5% Uns Ln Stk 87/92 – £75 (27Ap90)
- Fleming European Fledgling Inv TstPLC Ord 25p – 94½ (2My90)
  - Warrants to sub for Ord – 35 (27Ap90)
- Fleming Mercantile Inv Trust PLC3.5% Cum Prf Stk £1 – 41 (2My90)
  - 6¾% Deb Stk 87/92 – £83 (30Ap90)
- Gartmore Value Investments PLCZero Dividend Prf 10p – 53¾ 4
- Glasgow Income Trust PLCWarrants to sub for Ord – 3 (1My90)
- Globe Investment Trust PLC10% Deb Stk 2016 – £76½ (30Ap90)
  - 11½% Cnv Uns Ln Stk 90/95 – £420 (2My90)
- Govett Strategic Inv Trust PLC10¾% Deb Stk 2016 – £78 (30Ap90)
  - 11½% Deb Stk 2014 – £86⅞
- Lazard Select Investment Trust LdPtg Red Prf 0.1p Global Active Fund – £10.03 (27Ap90)
- Leveraged Opportunity Trust PLCZer Cpn. Cnv Uns Ln Stk 95/99 – £58 (30Ap90)
- London & St Lawrence Investment PLC Ord 5p – 106 (30Ap90)
- Merlin Intl Green Inv Tst PLCOrd 25p – 77
- Metropolitan Trust PLC4¾% Cum Prf £1 – 42 (27Ap90)
- Monks Investment Trust PLC11% Deb Stk 2012 – £93¾
- Murray International Trust PLC4% Deb Stk – £30 (2My90)
- Northern Indust Improv Trust PLCOrd £1 – 403 (27Ap90)
- Paribas French Investment Trust PLC Units(5 Ord,1 A&1 B Wrnts)NP – 40 1
- Rights and Issues Inv Trust PLC7½% Cum Prf £1 – 65
- Scottish Eastern Inv Trust PLC12¾% Deb Stk 2012 – £91¾
- Scottish Investment Trust PLC3.5% Cum Pfd Stk – £44 (27Ap90)
- Scottish Mortgage & Trust PLC8%–14% Stepped Interest Deb Stk 2020 – £103½ (2My90)
- Securities Trust of Scotland PLC7% Deb Stk 88/93 – £82 (30Ap90)
- Shires Investment PLCWarrants to sub for Ord – 38
- Strata Investments PLCWarrants to sub for Ord – 43 (1My90)
- TR City of London Trust PLCPfd Ord Stk(20% Non-Cum)£1 – 183 (1My90)
- Templeton Emerging Markets IT PLCOrd 25p (Rfd–1/5/90) – 115 (30Ap90)
  - Warrants to sub for Ord – 34♦
- Throgmorton Trust PLC12 5/16% Deb Stk 2010 – £99
- Throgmorton USM Trust PLC5½% Cum Ptly Cnv Red Prf £1 – 93.5 (27Ap90)
- Vantage Securities PLCWarrants to sub for Ord – 40 60 (27Ap90)
- Witan Investment Co PLC8½% Deb Stk 2016 – £85¾ ½ (30Ap90)

Unit Trusts
No. of bargains included 34

- M.& G. European Dividend FundInc Units – 50.7 3.6 (1My90)
- M.& G.Gold & General FundInc Units – 44.9 (30Ap90)
  - Accum Units – 50.2 (27Ap90)
- M.& G. International Income FundInc Units – 70 4.2
  - Accum Units – 83.8 (1My90)

Mines – Miscellaneous
No. of bargains included 144

- Amalgamated Financial Invs PLCWarrants to sub for Shs – 0¾♦
- Asarco IncCom Stk NPV – $25.22 (27Ap90)
- Botswana RST LdPu2 – 29½ (2My90)
- De Beers Consolidated Mines LdDfd R0.05 (Br) (Cpn 94) – $22¾ 22.95 23 23.05 23.1
- Europa Minerals Group PLCOrd 2p – 52.894 3 67
  - Warrants to sub for Ord – 5 (2My90)
- RTZ Corporation PLC3.325% "A" Cum Prf £1 – 38 (1My90)
- Willoughby's Consolidated PLCPfd 1p – 45
- Zambia Consolidated Copper Mines Ld"B" Ord K10 – 95 (30Ap90)

Mines – South African
No. of bargains included 49

- Anglovaal LdN Ord R0.0001 – £7
  - New N Ord R0.0001 (Nil Pd–11/5/90) – 15♦
- Barnato Exploration LdOrd R0.01 – 50
- East Rand Gold & Uranium Co Ld"S" Ord R0.50 – 21¾
- Johannesburg Cons Invest Co LdR0.10 – 27
- Lindum Reefs Gold Mining Co LdOrd R0.01 – 30
- Venterspost Gold Mining Co LdOptions to sub for Dfd – 24♦

Oil
No. of bargains included 1284

- British Petroleum Co PLC8% Cum 1st Prf £1 – 66 7 8
- Burmah Oil PLC7¾% Cum Red Prf £1 – 68 (30Ap90)
  - 8% Cum Prf £1 – 65 (2My90)
- ELF UK PLC12¾% Uns Ln Stk 1991(Reg) – £98¾ (1My90)
- LASMO PLC10¾% Deb Stk 2009 – £78⅝ ⅞ 9
- Shell Transport&TradingCo PLCOrd Shs (Br) 25p (Cpn 184) – 435
- Weeks Petroleum LdOrd (Aust Reg) $0.10 – £0.95 (27Ap90)

Property
No. of bargains included 462

- Asda Property Hldgs PLC10 5/16% 1st Mtg Deb Stk 2011 – £75
- British Land Co PLC10¾% Dbt 1st Mtg Deb Stk 2019/24 – £76½
- Brixton Estate PLC10¾% 1st Mtg Deb Stk 2012 – £80⅞
- Capital & Counties PLC9¾% Uns Ln Stk 91/96 – £72
- Charlwood Alliance Hldgs Ld7½% Uns Ln Stk 50p – 28 (1My90)
- City Site Estates PLC5.25% Cnv Cum Red Prf £1 – 69 70 (27Ap90)
  - 10.50% 1st Mtg Deb Stk 2017 – £79¾ (2My90)
- Clayform Holdings PLC11% 1st Mtg Deb Stk 2016 – £77⅞ (2My90)
- Dares Estates PLC7.75% Cnv Cum Red Prf £1 – 60
  - 10¾% 1st Mtg Deb Stk 2012 – £71¾ (2My90)
- Estates Property Investment Co PLC7¾% Uns Ln Stk 89/92 – £84
- Euston Centre Properties Ld10.4% 1st Mtg Deb Stk 92/97 – £80 (1My90)
- Great Portland Estates PLC9.5% 1st Mtg Deb Stk 2016 – £72¾ ¾
- Green Property Co PLC8% Red Cnv Uns Ln Stk 1995 Ir£1 – I£0.95 (2My90)
- Greycoat PLC9¾% Cum Red Prf 2014 £1 – 79 (1My90)
- Hammerson Prop Inv&Dev Corp PLCOrd 25p – 738
- Land Securities PLC6% 1st Mtg Deb Stk 88/93 – £78 80 (1My90)
  - 9% 1st Mtg Deb Stk 96/2001 – £78¾ (1My90)
  - 8½% Uns Ln Stk 92/97 – £78
- Law Land PLC7¾% 1st Mtg Deb Stk 86/91 – £90 (2My90)
- London & Edinburgh Trust PLC6¾% 1st Cum Red Prf 2013 £1 – 74½ (27Ap90)
- London&Prov Shop Centres(Hldgs)PLC 10% 1st Mtg Deb Stk 2028 – £73¾ ¾
- MEPC PLC10¾% 1st Mtg Deb Stk 2024 – £81 (1My90)
  - 8% Uns Ln Stk 2000/05 – £82¾
  - 10¾% Uns Ln Stk 2032 – £72¼ ⅞ ⅞ ⅞ ¾ ⅞ ¾
- Merlin International Properties LdCum Red Cnv Prf £1 – 13 3 5
- P & O Property Holdings Ld6% Uns Ln Stk 97/99 – £67
- Peel Hldgs PLC10% Cum Prf 50p – 38 (27Ap90)
  - 5.25% (Net) Cnv Cum Non-Vtg Prf £1 – 46½ (1My90)
  - 9¾% 1st Mtg Deb Stk 2011 – £72⅞ ¾ 3 3 ¼ ⅞ ¾ ⅞
- Peel South East Ld8½% Uns Ln Stk 87/97 – £70 (1My90)
  - 10% 1st Mtg Deb Stk 2026 – £73 (2My90)
- Property Hldg & Inv Trust PLC7% 1st Mtg Deb Stk 90/96 – £71 (27Ap90)
- Property Security Inv Trust PLC8% Cum Prf £1 – 100 (27Ap90)
- Shield Group PLCOrd 5p – 27 7 8
- Slough Estates PLC7½% 1st Deb Stk 85/90 – £98 (30Ap90)
- Town Centre Securities PLC10¾% 1st Mtg Deb Stk 2021 – £74¾ ¾
  - 9% Cnv Uns Ln Stk 95/2000 – £170 4
- Trafford Park Estates PLC7¾% 1st Mtg Deb Stk 90/95 – £75
- United Kingdom Property Co PLC8¾% Uns Ln Stk 2000/05 – £69 (30Ap90)
- Wereldhave Property Corp PLC9.5% 1st Mtg Deb Stk 2015 – £71½
- Westminster & Country Props PLC6% Uns Ln Stk 89/94 – £75 (1My90)
- Wyndham Group PLC8.375% (Net) Cum Cnv Red Prf £1 – 97 (1My90)

Plantations
No. of bargains included 6

- Anglo-Eastern Plantations PLCWarrants to sub for Ord – 20 (2My90)
  - 12¾% Uns Ln Stk 95/99 – £90 (2My90)
- Beradin Hldgs PLC5p – 25
- Chillington Corporation PLCDfd 25p – 76
  - Warrants to sub for Ord – 30
  - 9½% Cum Red Prf £1 – 92♦
  - 9% Cnv Uns Ln Stk 1999 – £94 5 (27Ap90)
  - 6% Cum Prf £1 – 50 (2My90)
- Inch Kenneth Kajang Rubber PLC10p – 24 (27Ap90)

Shipping
No. of bargains included 182

- Bergesen d-y AS"B" Non Vtg Shs NK5 – NK215½ 216 (2My90)
- NFC PLCVar Vtg Ord 5p – 117 8 9 20
- Peninsular & Oriental Steam Nav Co5% Cum Pfd Stk – £40 (2My90)
  - Warrants to purchase Dfd Stk – 90 (30Ap90)
  - 8½% 2nd Deb Stk(Perp) – £33 (30Ap90)

Utilities
No. of bargains included 16

- American Information Tech. CorpShs of Com Stk $1 – 359¾ (1My90)
- CESC LdEquity Ru10 – 42 (27Ap90)
  - 7½% Cum Prf Ru10 – 10 (1My90)
- California Energy Co IncShs of Com Stk $0.0675 – $12¾ (30Ap90)
- GTE CorporationCom Stk $0.10 – $60¾
- Manchester Ship Canal Co5% Perp Prf £1 – £15
  - 4% Perp Deb Stk – £32 (27Ap90)
- Mersey Docks & Harbour Co6¾% Red Deb Stk 96/99 – £65 (30Ap90)
- Public Service Enterprise Group IncShs of Com Stk of NPV – £15.096056 (1My90)
- US WEST,IncShs of Com Stk of NPV – $71♦

Water
No. of bargains included 540

- Bristol Waterworks Co
  - 4.9%(Fmly7%Max)Cons Ord Stk – £350
  - 3.5%(Fmly 5%)Cons Prf Stk – £350 (1My90)
- Colne Valley Water Co"A" 7%(Fmly 10%)Ord Stk – £450 (27Ap90)
  - 4.9%(Fmly 7%)Ord Stk – £650 (2My90)
  - 2.8%(Fmly 4%)Cons Prf Stk – £600 (1My90)
- Essex Water Co5% Deb Stk 86/91 – £85½ (1My90)
  - 10% Deb Stk 92/94 – £84¾ (30Ap90)
  - 10¾% Deb Stk 94/96 – £83 (1My90)
- Hartlepools Water Co3.5%(Fmly 5%)Max Ord Stk – £450 (30Ap90)
- Mid-Southern Water Co10% Red Deb Stk 92/94 – £87 (1My90)
- Newcastle & Gateshead Water Co7%(Fmly 10%)Max Cons Stk – £400 (1My90)
  - 4.9%(Fmly 7%)Max Ord Stk(1898) – £400 (1My90)
  - 5% Cons Deb Stk – £42 (1My90)
- North Surrey Water Co9¾% Red Deb Stk 94/96 – £90 (1My90)
- Portsmouth Water Co3.5%(Fmly 5%)Ord Stk – £1275 (1My90)
  - 3¾% Perp Deb Stk – £36 (2My90)
- Rickmansworth Water Co3.5%(Fmly 5%)Cons Ord Stk – £950 1150 (30Ap90)
  - 2.8%(Fmly 4%)Cons Prf Stk – £460 (30Ap90)
- South Staffordshire Waterworks Co
  - 3.5%(Fmly 5%)Ord Stk – £500 (2My90)
  - 4.9%(Fmly 7%)Red Prf Stk 88/90 – £104½
  - 9¾% Red Deb Stk 96/2000 – £73 (30Ap90)
- Sunderland & South Shields Water Co 3.5%(Fmly 5%)Ord Stk – £581½ 600 (30Ap90)

Miscellaneous Warrants
No. of bargains included 1

- Bankers Trust International LdWts Rel to Ord Shs in Cable&Wireless PLC – £0.32
  - Put Wts Rel to Nikkei Stock Average – $44¾ (1My90)
- Salomon IncHK$CallWts to purchOrdShs HK Telecom Ld – $H1¾ 1.2551 (2My90)

USM Appendix
No. of bargains included 649

- ADG Group PLCOrd 5p – 16½ ¾ 7 ½
- Atlantic Resources PLCWarrants to sub for Ord – 0¾ 1 1
- Baris Holdings PLCOrd 10p – 165 (2My90)
- Beckenham Group PLCWarrants to sub for Ord – 18 (1My90)
- Clearmark Group PLC13% Cnv Uns Ln Stk 92/97 – £55 60 5
- Continental Microwave (Hldgs) PLC6.0% Cnv Cum Red Prf 2005 £1 – 112‡
- Corton Beach PLC7.5p (Net) Cnv Cum Red Prf 10p – 52
- Darby Group PLCOrd 5p – 90
- Dewey Warren Hldgs PLCVar Rate Cnv Uns Ln Stk 1995 – £94 (1My90)
- Expedier Leisure PLC7.75% Cnv Cum Red Prf £1 – 50♦
- Gibbs Mew PLCOrd 25p – 280 90
- Great Southern Group PLC6.75p Cum Cnv Red Prf 5p – 73
- LEICA PLCOrd 5p – 47 8 8 50 2 4 5 6 7
- Midland & Scottish Resources PLCOrd 10p – 163♦
  - Units (11 Ord & 2 Wts) (Nil Pd–14/5/90) – 15 6 7 7 9 20
- Quarto Group Inc8.75p(Net) CnvCumRedShs of Pfd Stk $0.10 – 99 100 (1My90)
- Savage Group PLC8.5% (Net) Cum Red Cnv Prf £1 – 45 (30Ap90)
- SelecTV PLCOrd 1p – 10½
- Sheldon Jones PLCOrd 25p – 90 (27Ap90)
- Total Systems PLCOrd 5p – 14½ 5½
- Vistec Group PLCOrd 1p – 10½ 2
- Wyevale Garden Centres PLC8.5% (Net) Cnv Cum Red Prf £1 – 148
- Xtra-Vision PLCOrd Ir£0.05 – I£0.73 p 70 1½

The Third Market Appendix
No. of bargains included 69

- Poddington PLCOrd 5p – 72 (2My90)

Rule 535(2)
No. of bargains included 22

- Aberdeen Trust Hldgs PLCWts to sub for Ord – £0.17 (30Ap90)
- Adrams & Co PLC"A" Ord 25p – £4½
  - "B" Ord £1 – £19 (2My90)
- African Gold PLCOrd 1p – £0.095 (30Ap90)
- Amalgamated Metal Corp PLC6% Cum Prf £1 – £0.35 (1My90)
- Bell & Co PLC3½% Cum Prf £1 – £0.3 (30Ap90)
- Brown(A.)& Sons PLCOrd 5p – £0.57 (2My90)
- Conister Trust LdOrd 25p – £0.8 (1My90)
- Dolphin International LdOrd 10p – £0.255 (27Ap90)
- Douglas Gas Light Co LdOrd £1 – £4.3 (2My90)
- Gander River Resources PLCOrd 5p – £0.15
- Grampian Television PLCOrd 10p – £0.735 (30Ap90)
- Greenstar Hotels PLCOrd 10p – £0.62 (27Ap90)
- Guernsey Press Co LdOrd 10p – £2.15 (27Ap90)
- Golton Group LdOrd 10p – £2.55 (27Ap90)
- Jennings Bros LdOrd 25p – £2.7 2.7 3.2 (1My90)
- Jersey Gas Co Ld5% A Cum Prf £1 – £0.35 (1My90)
- Kleinwort Benson(Guernsey)Fund Man International Income – £1.884
- Le Riche's Stores LdOrd £1 – £3¾ 3.85
- Littlewoods Organisation Ld12% "B" Cum Prf £1 – £0.97 0.985 (2My90)
- MIM Britannia International LdJapan Income & Growth – £1.882
- Merrett Hldgs PLCOrd 10p – £1.05 1.13 (30Ap90)
- Mid Anglia Radio PLCOrd £1 – £4½ (27Ap90)
- National Parking Corp LdOrd 10p – £5.01 (1My90)
- New Scotland Insurance Group PLCOrd 50p – £11 (30Ap90)
- Newbury Racecourse PLCOrd £100 – £2500
- North West Exploration PLCOrd 20p – 18 20.1 (2My90)
- Paramount PLCOrd 2.5p – £0.22 (27Ap90)
- Park Lane Hotel PLCOrd 25p – £9¾ (30Ap90)
- Prolific Int Management(Guernsey)Global Growth Fund – £14.23
- Rangers Football Club PLCOrd £1 – £65
- Southern Newspapers PLCOrd £1 – £2.94 (2My90)
- Sun Oil Britain LdOil Royalty Stk Units 1p – £0.47 0¾
- Transatlantic Hldgs PLCOrd 50p – £3½ (2My90)
  - Pfd Ord 50p – £3.4 (2My90)
- Weetabix Ld"A" Non.V Ord 25p – £5.95
- Wolverhampton Racecourse Co PLCOrd 25p – £2.78 (1My90)
- Wynnstay Properties PLC25p – £1.4 (1My90)

RULE 535 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

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LONDON STOCK EXCHANGE

Market buoyant on poll outcome

UK STOCKS gave a favourable reception to the outcome of the UK local elections yesterday, opening sharply higher and holding on to most of their gains throughout the session. Privatisation stocks, including the water issues, were in good form as the market upgraded its views on the Government's re-election prospects. Traders reported some non-UK buying but overall turnover was moderate. The market closed 27 FT-SE points up but was disturbed in late trading by a sudden wave of nervousness over reported financial strains in the property sector.

With the Conservative ruling party faring better than predicted in the local elections in England and Wales, and both Government bonds and sterling very firm in early trading, equities opened with an 11 point gain on the FT-SE Index. The first couple of hours saw good demand for UK stocks and the gain on the Footsie was quickly extended to 33.1, which proved to be the day's best.

Despite further Government success as a late election result was disclosed, equities made no further progress. Market activity faded somewhat as traders headed home early for the extended May Bank Holiday weekend.

The final reading showed the FT-SE Index at 2,162.2, a gain on the day of 27.8. This week has seen the equity market advance by 55.6 Footsie points (2.6 per cent), helped first by satisfactory trading news from ICI and then by the outcome of the local elections.

As the Index showed, most of yesterday's gain came from the initial mark-up in share prices as traders correctly anticipated the response to the election results which were known before trading commenced. Seaq volume for the full day totalled 437.5m shares compared with 392.8m on Thursday.

The gilt-edged sector made a more decisive response to the election news, as bond analysts took the view that the result will strengthen the Government's ability to maintain its anti-inflation stance. Long-dated bonds moved up by around 2¼ points, and the shorter dates by just over one point. UK bonds were helped by the rise in US Federal bonds on news of a smaller than expected rise in jobs in the US in April.

Despite yesterday's firm performance, the UK equity market remained nervous. Next Friday brings the UK Retail Price Index for April, which is widely expected to disclose an underlying annualised inflation rate of around 10 per cent. This could cause further uncertainty in the gilt edged market. Tremors in the property sector towards the close of trading yesterday revived concern that the prolonged pressure of high domestic interest rates could yet cause further casualties among property development and construction companies.

Account Dealing Dates

*First Dealings:		
Apr 9	Apr 30	May 10
Option Declarations:		
Apr 26	May 10	May 24
Last Dealings:		
Apr 27	May 11	May 25
Account Day:		
May 8	May 21	Jun 4

*New time dealings may take place from 9.00 am two business days earlier.

FINANCIAL TIMES STOCK INDICES

	May 4	May 3	May 2	May 1	April 30	Year Ago	1990 High	1990 Low	Since Compilation High	Since Compilation Low
Government Secs	75.98	74.89	74.27	74.51	74.13	86.85	84.20 (2/1)	74.13 (30/4)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Interest	85.35	84.74	84.59	84.37	83.80	97.59	92.91 (8/1)	83.80 (30/4)	105.4 (28/11/47)	50.53 (3/1/75)
Ordinary Share	1696.8	1676.6	1678.0	1663.5	1653.6	1770.9	1968.3 (3/1)	1653.6 (30/4)	2008.6 (5/9/89)	49.4 (26/6/40)
Gold Mines	216.6	215.5	219.6	219.0	221.5	174.3	378.5 (6/2)	215.5 (3/5)	734.7 (15/2/83)	43.5 (26/10/71)
FT-SE 100 Share	2162.2	2134.9	2137.6	2117.9	2103.4	2132.8	2463.7 (3/1)	2103.4 (30/4)	2463.7 (3/1/90)	986.9 (23/7/84)
Ord. Div. Yield	5.35	5.41	5.41	5.44	5.48	4.41				
Earning Yld %(full)	11.99	12.12	12.11	12.16	12.28	10.74				
P/E Ratio(Net)(*)	10.07	9.96	9.97	9.93	9.87	11.24				
SEAQ Bargns 4.45pm	20,327	18,245	20,174	19,615	21,821	34,315				
Equity Turnover(£m)†	-	705.65	747.67	622.90	607.88	1175.81				
Equity Bargains†	-	17,836	20,159	19,439	21,694	37,023				
Shares Traded (ml)†	-	354.7	358.8	322.8	282.0	523.9				

Basis 100 Govt. Secs 15/10/26, Fixed Int. 1928, Ordinary 1/7/35, Gold mines 12/9/55. Basis 1000 FT-SE 100 31/12/83. ☆ Nil 9.97

Ordinary Share Index, Hourly changes Day's High 1701.7 Day's Low 1685.0

Open	9 am	10 am	11 am	12 pm	1 pm	2 pm	3 pm	4 pm
1685.0	1694.2	1695.9	1701.1	1700.7	1697.2	1696.7	1697.5	1695.3

FT-SE, Hourly changes Day's High 2168.0 Day's Low 2146.4

Open	9 am	10 am	11 am	12 pm	1 pm	2 pm	3 pm	4 pm
2146.4	2157.5	2160.3	2167.2	2165.5	2160.9	2164.0	2162.2	2159.6

GILT EDGED ACTIVITY

Indices*	May 3	May 2
Gilt Edged Bargains	82.3	76.3
5-Day average	80.0	78.6

*SE Activity 1974. †Excluding intra-market business & Overseas turnover. Calculation of the FT Indices of daily Equity Bargains and Equity Value and of the five-day averages of Equity Bargains and Equity Value, was discontinued on July 31. Closing values for July 28 available on request.
London report and latest Share Index: Tel. 0898 123001.

British Gas lights the flame

A STRONG performance by British Gas followed the Conservative Party showing in the local government elections and a change of heart on the shares by BZW, the UK investment banks.

Poor performers in recent weeks the shares, which had dropped to the lowest this year of 185½p on Monday, closed a net 8 higher at 202p, having touched 204p at one point. Turnover in the stock, traditionally one of the biggest trading counters in the market, topped 13m yesterday.

Dealers said the shares were up and running from the outset with investors chasing the stock as more news on the local government elections emerged.

BZW's oil and gas team took Gas shares off its sell list "because the political worries have abated," and also because it is "warming to Gas's changing management style which is making the group more customer responsive."

British Gas is scheduled to announce preliminary figures on May 31. BZW expects a final dividend of 7.3p, making a year's total of 10.5p, and is going for net income, on an historic cost basis, of £930m, against last time's £899m. On a current cost basis it estimates £790m against £620m.

There was also evidence, dealers noted, of switching out of the oil majors and into Gas, a move sponsored by the Smith New Court oil team who continued to emphasise the oil price vulnerability of the big two groups.

Brewery deal

The latest deal in the restructuring of the UK brewing industry left both companies higher with the market in an otherwise featureless brewing and distilling sector.

Allied-Lyons' Ind Coope division sold 87 pubs to Greene King for £15.25m in cash. Most of the houses are located in the home countries to the south and west of London. Ind Coope said it felt it was over-represented in these areas, while Greene King sought "strategic representation."

The market seemed to agree with the deal makers' assessment of the benefits of the sales. Allied climbed 6 at one point before closing a net 4 higher at 428p, and Greene King finished 6 up at 327p a penny off the day's best. Turnover in Allied was a modest 1.9m shares.

The less robust and highly leveraged property developers which, according to Panmure Gordon, the broking house, "were never designed to withstand 15 per cent base rates," had an uncomfortable session.

Developer/trader Speyhawk was the most vulnerable stock, plunging to 99p before rallying to close the session 36 down at 106p. "This market's convinced there will further problems with the highly-geared companies, and Speyhawk is just one of several possibles," said a trader.

Dealings in most stocks became progressively thinner as the pressure mounted, adding to the prevailing nervousness. "You try to maintain a level book, particularly ahead of a long weekend, but that's not always possible," sighed one weary marketmaker. Also under fire were London & Metropolitan, a Smith New Court sell because the shares are too close to historic net asset value, dived 16 more to 65p. Peel Holdings, despite recent buy-in purchases, fell to 129p before ending a net 10 lower at 139p while Rockfort dropped 6 to 17p. Rosehaugh slithered 9 further to 225p.

Some of the market's favourite cash-rich defensive stocks found themselves friendless yesterday. Dealers said that investors had bought the likes of Hanson and British Airways since the start of the year and in a rising market turned their attention instead to riskier targets. In both cases, the regular US buying interest was noticeable by its absence.

A single large seller of Hanson kept domestic buyers more than supplied. Turnover reached 12m shares in busy two-way trade. The shares eventually settled above the day's worst at 212½p a net decline of a penny. Dealers also mentioned concern over the performance in the US of Smith-Corona – part of which sold to institutions last year by Hanson.

British Airways continued a dismal week and ignored the strong performances of other FT-SE 100 stocks. It was more typical of the transport sector, however, most of whose components also marked time. BA shed 2 to 193p

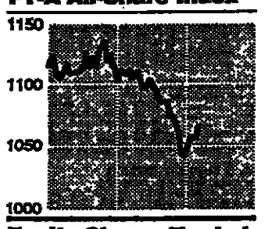
One of the stock US investors found attractive was Saatchi and Saatchi. The stock continued the string rise of the second half of the week, a move that rekindled bid talk. The possible predator mentioned in the market yesterday was French media giant Havas. More cautious analysts blamed the strength on a recommendation earlier in the week from a US analyst. The stock rose to 109p, at one point, before closing at 107p, still a net rise of 3½. Saatchi's interims are due early next month.

New York continued to buy Reuters and dealers noted European interest too yesterday. The shares were already in short supply as a result of interest earlier in the week and climbed 26 to 1124p. Turnover of 1.1m shares was relatively high for the stock.

Wellcome continued to suffer from the wary response to the company's interim figures on Thursday. The shares recorded the second worst fall of the day among FT-SE stock with a decline of 9 to 646p. The banks, badly affected by the recent profits warning issued by Midland Bank, came back to favour with a bang with three out of the "big four" high street banks registering double-figure gains. Dealers said the market had been caught short of stock and that even the smallest of buying orders had been enough to drive share prices higher. Commenting on the upsurge in share prices Mr Robert Law of the Shearson Lehman Hutton banks team said "the feeling is that bad debts are rising sharply but are not out of control and will not endanger the banks' capital ratios or dividend policy."

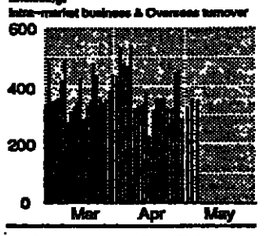
Lloyds was especially strong, closing 14 higher at 272p on 1.9m while NatWest posted a similar gain at 333p on 1.7m and Barclays rose 13 to 583p on 2m.

FT-A All-Share Index



Equity Shares Traded

Turnover by volume (million)
Excluding:
Intra-market business & Overseas turnover



Abbey National, still boosted by recurring buy recommendations, especially from UBS Phillips & Drew, added 3 more at 192p on 3.9m, while TSB, after confirming its intention of selling its Target unit linked insurance subsidiary, were 2 harder at 133p on 3m. A firm merchant banks arena showed S. G. Warburg 14 higher at 430p and Hambros 8 up at 245p.

The building sector provided another worrying development as Stanley Miller, the Newcastle-based construction group, requested the suspension of its shares after they had plunged from 50p to a low of 20p, "pending clarification of the company's financial position."

There were, however, some outstanding performances in the sector. Steetley, jumped 13½ to 397½p on talk of a broker's buy recommendation, while a 37 per cent increase in preliminary profits boosted Henry Boot 17 to 453p.

Traders said the strength of Storehouse, which closed at the day's high of 105p, a net improvement of 4, was the result of relief that the departing chairman Sir Terence Conran would not sell his stake. Sir Terence holds 7 per cent of the company, or 29.3m shares. He remains a non-executive director.

A one for one rights issue from Casket at 15p a share left the stock 6 lower at 17p.

BET had one of its better days and continued to recover from recent weakness and added 8 to 218p, as turnover reached 2.7m shares.

BTR also a dull feature of late, was said to have been part of the big programme trade. The shares gained 5 to 389p, as turnover swelled to 7.3m shares.

Heywood Williams rose another 4 to 262p, with the market continuing to speculate about a bid from Pilkington, which recovered from the previous day's falls to end 3 better at 194p, on turnover of 2.3m shares.

British Vita closed 6 up 172p, after presentations at Kleinwort Benson earlier in the week, while BOC firmed 3 to 524p, ahead of interim results next Thursday.

Siebe closed 13 up at 469p, with Kleinwort Benson said to have shown a keen interest in the shares.

A squeeze lifted both Lucas and GKN. The former added 11 at 610p, while the latter closed 9 up at 396p. Both companies also benefited from the news of a likely ending of the West German metalworkers' dispute. Both have factories in West Germany where I. G. Metall, the engineering union is to ballot members about a settlement of the dispute next week.

Rolls-Royce were once again favoured and picked up 5 to 199½p, on further consideration of the joint venture with BMW announced on Thursday.

British Telecom celebrated the outcome of the local elections, moving up 5½ to 259½p on keen turnover of 7.6m; the preliminary figures of BT are expected on May 24.

Radio stocks were one of few areas of the market which lacked appeal to investors. Sentiment was probably influenced by BZW's latest leisure bulletin and the comment that the May interim results' season could produce flat or down results. "It is possible that there will further full-year downgrades," said researchers at the securities house.

Most heavily affected were Chiltern Radio, 10 lower at 163p, and Radio City "A", 12 off at 333p; the latter is scheduled to report on May 22.

Brent Walker shares retained their upward momentum awaiting Wednesday's preliminary figures. They closed at 279p for a gain on the week of 38. BZW is looking for profits of £69m, against £41.7m last time, but the range of market forecasts is from £55m to £72m.

Dealers marked the water stocks sharply higher as news of the local election results came in. The sector has been rocked in recent months by fears that a Labour Party victory in a general election could herald substantial changes in policy towards recently privatised companies.

In much heavier than usual turnover there were good gains throughout the list of ten stocks. Severn Trent attracted the biggest turnover – 4.4m shares – with the stock closing 4 higher at 127p. Next on the list came Thames, the Footsie constituent, which could only manage a minor improvementat 1342½p on 2.4m shares, while North West, also in the Footsie, added 4½ to 146½p on 2m shares. Yorkshire were prominent, closing 8 firmer at 152p. The Water Package advanced 35 to £1408.

Commenting on the elections, Mr Chris Rowland of BZW said he remained "very positive" on the sector and that "once the politics become history investors came concentrate on the fundamentals which include strong dividend growth."

BZW allayed fears about the impact on Southern Water of the prolonged bout of dry weather. After visiting Southern, BZW said the weather "won't hit Southern's profits." Southern was 2 firmer at 126p on 1.4m shares.

Oil shares generally made further progress despite furtherwidespread scepticism about the ability of Opec to make the proposed output cut stick. The Laing & Cruikshank oil team said the new Opec agreement "looks, and is, too good to be true; it is nothing more than a declaration to stick to the old agreement which was being flouted." Laing said the implications for oil shares are not stunning and that the sector is liable to weaken relative to the market – "the majors are near the year's relative highs and they shouldn't be – sell BP and expect Shell to decline too."

BP, helped by the overall market advance, moved up 7½ to 320p on good turnover of 5.7m while Shell edged up 3½ to 441p.

Burmah added 10 to 570p after the aproposed acquisition of Optimol, the Munich-based specialist manufacturer of high quality greases and lubricants. Analysts generally liked the deal which they said highlighted the need for exposure to Continental Europe.

■ Other market statistics, including the FT-Actuaries Share Index and London Traded Options, Page 9.

TRADING VOLUME IN MAJOR STOCKS

	Volume 000's	Closing Price	Day's change
ADT	1,600	172½	−½
ASDA Group	4,000	98	+1
Abbey National	3,800	192	+4
Allied-Lyons	1,900	428	+4
Amstrad	712	65	−½
Anglian Water	1,400	157	
Argos	2,300	185½	+2½
Argyll Group	1,000	210	+1
Ass. Brit. Foods	434	378	−2
BAA	614	384	+2
BAT Inds.	1,700	676	+1
BET	2,700	218	+8
BICC	865	388	+2
BOC	482	524	+3
BPB Inds.	580	285	+1
BTR	7,300	389	+5
Barclays	2,000	583	+13
Bass	482	948	+5
Beazer	679	135	
Berisford Int.	104	132	
Blue Circle	3,300	209	+5
Boots	2,400	280	+2
Brit. & Comm.	8	89	
Brit. Aerospace	2,800	613	+1
British Airways	1,100	193	−2
British Gas	13,000	202	+8
British Land	35	338	
BP	5,700	320	+7½
British Steel	3,300	141¼	+½
British Telecom	7,600	259½	+5½
Bunzl	617	88	+1
Burmah Oil	480	570	+10
Burton	1,300	183	+4
Cable & Wire.	1,500	476	+2
Cadbury	1,300	308	+2
Calor Group	328	280	+1
Carlton Comms.	737	605	+1
Coats Viyella	285	110	+1
Comm. Union	813	468	+5
Cookson	1,400	187	+2
Courtaulds	738	301	+5
Dalgety	14	355	
Dixons	34	120	
ECC Group	403	360	+6
Enterprise Oil	306	587	+4
FKI	1,100	69	
Ferranti	2,100	41½	
Fisons	1,000	324	+3
Gen. Accident	486	1031	+23
General Elect.	6,800	196½	+1½
Glaxo	1,200	787	+4
Globe Inv.	222	198	+1
Glynwed Int.	424	255	+1
Granada	720	236	+5
Grand Met.	2,800	622	+11
GUS A	79	930	+7
GRE	684	224	+5
GKN	1,700	396	+9
Guinness	2,500	883	+4
Hammerson 'A'	400	721	
Hanson	12,000	212½	−1
Hanson Warrants	1,300	46½	−1
Harrisons Crosfield	528	159	+3
Hawker Sidd.	342	619	+5
Hillsdown	834	237	+1
IMI	121	226	
ICI	876	1108	+3
Inchcape	647	251	+5
Kingfisher	1,000	278	+5
Ladbroke	3,800	275½	+1½
Land Securities	480	485	+2
Laporte	224	486	+5
Legal & General	1,200	357	+8
Lloyds Abbey	690	282	+3
Lloyds Bank	1,900	272	+14
LASMO	369	368	+4
Lonrho	1,300	230	+3
Lucas	738	610	+11
MB Group	841	193	+3
MEPC	426	489	+2
Manpower	744	79½	−½
Marks & Spencer	1,700	180½	+3
Maxwell Comm.	787	181	+2
Mecca Leisure	685	58	+1
Midland Bank	788	290	+6
NatWest Bank	1,700	333	+14
Next	1,230	64	+2
North West Water	2,000	146½	+4
Northern Foods	1,200	281	−1
Northumbrian Water	418	151	+2
Pearson	365	658	+10
P & O	888	571	+5
Pilkington	2,300	194	+3
Polly Peck Intl.	2,400	405	+2
Prudential	1,400	198	+5
RHM	631	327	
RMC	953	605	+9
RTZ	1,000	530	+6
Racal	2,100	194	+4
Racal Telecom	283	332	+4
Rank Org.	268	772	+7
Reckitt & Colman	76	1154	+7
Redland	1,300	551	+1
Reed Intl.	2,700	382	+2½
Reuters	1,600	1124	+26
Rolls Royce	8,300	199½	+5
Rothmans	43	670	+8
Ryl Bk Scotland	1,000	167	+1
Royal Insurance	1,200	442	+8
STC	2,000	245	−4
Saatchi	3,400	107	+3½
Sainsbury	697	259	+4
Scottish & New.	481	293	+3
Sears	2,230	80	+2
Sedgwick	282	259	+5
Severn Trent Water	4,400	127	+4
Shell Transport	3,000	444	+4½
Siebe	1,400	469	+13
Slough Ests	448	278	+1
Smith (W H) A	144	280	+1
Smith & Nephew	2,800	122½	+1½
SmKl Beecham	2,800	479	
SmKl Beecham Units	110	2190	+9
Smiths Inds.	2,000	241	
South West Water	865	147	+4
Southern Water	1,400	126	+2
Standard Chartd.	1,000	489	+12
Storehouse	1,700	105	+4
Sun Alliance	2,100	298	+3
Sun Life	25	1230	
T&N	1,300	181	
TI Group	2,200	463	+10
TSB	3,600	133	+2
Tarmac	3,300	251	+5
Tate & Lyle	731	272	−1
Taylor Woodrow	830	268	+2
Tesco	807	199	+2
Thames Water	2,400	132½	+½
THORN EMI	218	636	+1
Trafalgar House	2,700	304	+3
Trusthouse Forte	1,100	250	+4
Ultramar	581	329	+2
Unigate	1,200	279	−1
Unilever	1,700	641	+7
United Biscuits	1,000	314	+4
Utd. Newspapers	804	322	+3
Water Package Uts.	7	£1408	+35
Wellcome	1,400	646	−9
Welsh Water	348	150	+5
Wessex Water	841	148	+6
Whitbread 'A'	1,630	369	+4
Williams Hldgs.	1,100	231	+4
Willis Faber	654	269	+4
Wimpey	2,530	219	+1
Yorkshire Water	1,100	152	+8

Based on trading volume for most Alpha securities dealt through the SEAQ system yesterday until 4.30pm.

NEW HIGHS AND LOWS FOR 1990

NEW HIGHS (16).
BRITISH FUNDS (8) ELECTRICALS (1) ENGINEERING (1) FOODS (1) INDUSTRIALS (1) Proudfoot (A). INSURANCE (1) PAPERS (2) TRANSPORT (1) TRUSTS (2).
NEW LOWS (188).
AMERICANS (3) CANADIANS (3) BREWERS (3) BUILDINGS (16) CHEMICALS (1) STORES (5) ELECTRICALS (6) ENGINEERING (7) FOODS (3) HOTELS (2) INDUSTRIALS (38) Aberloyde, Allied Partnership, Anglo Utd., BTR, BTR Nylex, Bluebird Toys, Bremner, Bridport-Gundry, British Fittings, Cannon Street Invs., Cargo Control, Clayhithe, Coloroll, Cosalt, Dyson (J & J), Fogas, Forwell, Johnson Matthey, Scottish Heritable, Shanks & McEwan, TLS Range, Tamaris, Unigroup, Wellcome, Whatman, INSURANCE (2) LEISURE (5) MOTORS (6) NEWSPAPERS (1) PAPERS (7) PROPERTY (14) TEXTILES (1) TRANSPORT (2) TRUSTS (36) MINES (22) THIRD MARKET (4).

RISES AND FALLS

	On Friday Rises	On Friday Falls	On Friday Same	On the week Rises	On the week Falls	On the week Same
British Funds	94	9	5	301	128	88
Corps. Dom. & Foreign Bonds	11	0	13	33	15	72
Industrials	414	233	937	1,657	1,806	4,449
Financial and Props	185	122	432	757	870	2,024
Oils	32	13	45	140	119	187
Plantations	1	0	9	3	3	44
Mines	20	49	93	113	239	446
Others	65	52	140	257	359	659
Totals	822	469	1,674	3,261	3,539	7,947

LEADERS AND LAGGARDS

Percentage changes since December 29 1989 based on Thursday May 3 1990

Agencies	-	2.03
Metals & Metal Forming	-	2.62
Packaging & Paper	-	2.63
Food Retailing	-	4.92
Chemicals	-	5.80
Water	-	6.89
Engineering-General	-	6.99
Conglomerates	-	8.53
Engineering-Aerospace	-	9.16
Electronics	-	9.95
Transport	-	10.32
Other Groups	-	10.86
Banks	-	10.94
Health & Household Products	-	11.01
Brewers and Distillers	-	11.39
Industrial Group	-	11.94
500 Share Index	-	11.95
Oil & Gas	-	12.00
Capital Goods	-	12.03
Insurance(Brokers)	-	12.30
All Share Index	-	12.32
Stores	-	12.39
Electricals	-	12.47
Consumer Group	-	12.59
Building Materials	-	12.77
Investment Trusts	-	12.81
Motors	-	13.19
Food Manufacturing	-	13.56
Financial Group	-	13.78
Property	-	14.15
Other Industrial Materials	-	15.29
Textiles	-	15.31
Merchant Banks	-	15.31
Insurance(Life)	-	15.97
Telephone Networks	-	16.99
Contracting,Construction	-	17.59
Publishing & Printing	-	18.16
Insurance(Composite)	-	18.34
Overseas Traders	-	20.61
Leisure	-	22.37
Gold Mines Index	-	30.28

BENCHMARK GOVERNMENT BONDS

		Coupon	Red Date	Price	Change	Yield	Week ago	Month ago
UK GILTS		10.000	4/93	91-30	+26/32	13.40	13.79	13.18
		10.500	5/99	88-29	+57/32	12.59	13.16	12.28
		9.000	10/08	81-14	+89/32	11.43	12.05	11.28
US TREASURY *		8.500	02/00	97-20	+29/32	8.86	9.06	8.64
		8.500	02/20	96-10	+40/32	8.85	9.03	8.60
JAPAN	No 119	4.800	6/99	86.1160	+0.336	7.34	7.39	7.24
	No 2	5.700	3/07	89.3882	+0.277	7.08	7.13	7.25
GERMANY		7.750	02/00	94.7000	+1.550	8.56	8.80	8.42
FRANCE	BTAN	9.000	02/95	97.0006	+0.506	9.79	9.96	10.09
	OAT	8.500	03/00	94.0200	+1.220	9.45	9.62	9.55
CANADA *		9.750	05/00	90.1500	+1.450	11.43	11.59	11.22
NETHERLANDS		7.750	01/00	92.7100	+1.050	8.89	9.02	8.68
AUSTRALIA		12.000	7/99	91.3260	-0.044	13.67	13.80	13.63

London closing. *denotes New York morning session
Yields: Local market standard Prices: US, UK in 32nds., others in decimal

Technical Data/ATLAS Price Sources

COMMODITIES

WEEK IN THE MARKETS

Opec emergency talks backfire

THE EMERGENCY meeting of the Organisation of Petroleum Exporting Countries appeared yesterday to have backfired as oil prices continued to decline.

The meeting in Geneva was called with the aim of propping up prices following the big drop since the end of March. Opec's 13 oil ministers agreed to cut 1.445m barrels a day from April output levels of 23.5m b/d – but the markets were unimpressed and immediately marked prices down by about 70 cents.

At midsession yesterday the New York Mercantile Exchange June futures contract for West Texas Intermediate crude was trading at $17.84 a barrel, more than $1 below the week's high of $18.90 at the close on Tuesday.

The fall in prices has taken Opec by surprise. Yesterday Mr Hisham Nazer, the Saudi Arabian minister, said he had already given instructions for the Saudi cut of 430,000 b/d. "I do not understand the negative reaction of the market."

After the meeting delegates said the agreement was the best that could be expected, and that bigger cuts might draw too much crude out of the system. All 13 members had agreed to cut at least some production, including those already producing below their quota levels.

However, analysts remain sceptical of the agreement's likely impact on crude inventories. Even if the cuts are carried out it would still be six weeks before they affected the oversupplied physical market. "It's like putting a band-aid on a major haemorrhage," one New York analyst said.

Gold fell below $370 a fine ounce on the London bullion market on Monday after a small amount of Middle East selling. Traders and analysts suggested that the fall was mainly due to the lack of activity in the market because of holidays in Japan and Europe. The holidays, including May Day and Japan's Golden Week, have also kept other markets quieter than usual.

"There has been a confluence of holidays – Easter, Ramadan, the Passover – which has more or less prevented normal bullion trading since the March 26 collapse," said Mr Andrew Smith of UBS Phillips & Drew.

Trading and volatility in the gold markets are in any case well down following the March retreat. Not only have speculators and investors disappeared, but dealers themselves have been reluctant to take significant positions. However, gold regained $370 an ounce on Wednesday and closed yesterday at $370.25, a fall of just 25 cents on the week.

On the LME, copper provided the only surprise of the week when the cash price jumped by nearly £180 a tonne as traders were caught in an options related squeeze, lifting the cash premium over three-month metal to £198 a tonne from £68.50 on Monday.

LME WAREHOUSE STOCKS
(Change during week ended last Friday)
tonnes

Aluminium high grade	+4,725	to 14,4225
Copper	+6,050	to 61,200
Lead	−400	to 32,225
Nickel	−288	to 7,200
Zinc	+8,325	to 54,125
Tin	+215	to 12,700

The unexpected 7,525-tonne fall in the LME's copper stocks, coupled with the continuing strikes in Peru, provided traders who had options to sell copper at $2,800 a tonne (£1,707) with an incentive to push prices up to that level, analysts said.

The squeeze led to the LME calling in traders' dealing cards yesterday for scrutiny by senior members of the secretariat. The exchange wants to satisfy itself that the high premiums registered for copper for delivery in mid-May were the result of genuine supply tightness and not manipulation.

Ironically, the LME has only just introduced reporting of stocks twice weekly in the hope of reducing price volatility. Yesterday copper stocks rose by 6,050 tonnes to 61,200 tonnes, still a very low level.

However, workers at Southern Peru Copper, ordered back to work earlier this week by the Peruvian Government, ended their 53-day strike yesterday. By the close on the LME cash copper was down £90 at £1632.50 a tonne, a rise of only £7 on the week.

Aluminium prices drifted lower throughout the week, with traders watching the three-month price carefully. A break below the $1,500-a-tonne level could signal a drop to $1,450 a tonne, they believe. In the event, three-month aluminium closed yesterday at $1,508.50 a tonne, down $14.50 on the week.

Cash zinc reached the highest levels for 6½ months on Tuesday ($1,772.50 a tonne) on bullish charts, fears of a squeeze on LME June supplies and forthcoming labour talks at Cominco's Trail lead/zinc smelter. But it failed to hold that level, closing yesterday at $1,756 a tonne, a fall of $1.50 on the week.

David Blackwell

APPOINTMENTS

Halma group changes

■ **Mr Nigel Young** has been appointed assistant divisional chief executive of the HALMA safety division, continuing as managing director of subsidiary Fortress Interlocks. He also becomes chairman of subsidiaries Castell Safety International, C.E.F. Safety Systems, and Fortress Security Pty, Australia. **Mr John Zarno** has been appointed assistant divisional chief executive, machinery and services division. He continues as managing director of Kerry Ultrasonics.

■ BACON & WOODROW, actuaries, has made the following partners: **Mr J. Brockman, Mr H.W. Froggatt, Miss H.M. Gregson, Mr J.M. Lowes, Mr A.S. McKinnon, Mr R.K. Mulcahy** and **Mr D.K. Papasawas. Mr C.M. Atkin** has joined the firm as a partner in the Birmingham office. He was a partner of R. Watson & Sons.

■ **Mr Ronald Gould** has been appointed a director of BARCLAYS DE ZOETE WEDD INVESTMENT MANAGEMENT. He was president of BZW Investment Management in Japan.

■ ARGOSY ASSET MANAGEMENT (formerly Merchant Navy Investment Management) has appointed as administration director **Rear Admiral Peter Dingemans.** Formerly chief of staff to the CinC Fleet, he commanded HMS Intrepid in the Falklands War.

■ TOUCHE REMNANT INVESTMENT MANAGEMENT has appointed **Mr Job Curtis** and **Mr Mark Hammond** as directors.

■ Following the merger of Kidsons and Hodgson Impey to form KIDSONS IMPEY **Mr Peter Douglas** has been appointed national managing partner. He was chairman of Kidsons' national executive.

■ CAMERON RICHARD AND SMITH INSURANCE SERVICES has appointed as directors **Mr Anthony Peake, Mr Anthony Rowe** and **Mr Jeremy Camps.**

■ **Mr John Hakes,** chief executive and managing director of Thorn EMI Electronics, has been elected president of THE ELECTRONICS AND BUSINESS EQUIPMENT ASSOCIATION.

Mr Roger Walker *(above)* has been promoted to group chief executive, and **Mr John Wheeler** becomes non-executive chairman at the **BENSON GROUP,** Knighton, Powys. Mr Walker was chief executive of the agricultural and industrial division.

■ **Mr Pat Berridge** is to join TIPHOOK's trailer rental subsidiary, Central Trailer Rentco International, as technical director on July 20. He was technical and procurement director with TIP (Europe). **Mr David R. Ling** becomes financial director of Central Trailer. He was general manager, operations, with Conoco.

■ **Mr David Chipchase** has been appointed commercial officer in the London office of the agent general in the UK and Europe for the province of British Colombia.

■ **Mr Jens-Thomas Lück** has joined BARING BROTHERS (DEUTSCHLAND) in Frankfurt as managing director. He was in the Munich office of Baring Capital Investors. BARING SECURITIES has appointed **Mr David Dible** and **Mr Carl Strutt** as assistant directors.

■ DUNLOP aviation division, part of BTR, has appointed **Mr Mike Attwood** as financial controller; **Mr Mike R. Arnold** as sales manager; and **Mr George T. Wood** as customer support manager.

■ LANE CLARK AND PEACOCK, actuaries, has appointed **Mrs P.A. Simmons** as a partner. She was a partner with Bacon and Woodrow.

■ CORNHILL INSURANCE has appointed **Mr Ian Reed** as assistant general manager, life division. He was assistant general manager with ManuLife.

■ SPRINT INTERNATIONAL, UK subsidiary of US Sprint, has appointed **Mr Vincent Gargaro** as chief executive, Sprint International, Northern Europe. He was chief executive of subsidiary Plessey-Telenet. **Mr Ray O'Brien** joins Sprint International as marketing director. He was marketing director of Plessey-Telenet. **Mr Graham Rowley** has been appointed chief executive of Plessey-Telenet. He was with Bull HN.

Mr John N. Maltby, chairman of **BURMAH OIL,** has decided to retire as chairman in July. He will be succeeded by **Mr Lawrence M. Urquhart** *(above),* group chief executive, who will combine both posts.

■ **STIRLING GROUP** has appointed **Mr Peter Sheldon** as executive chairman. He is a director of World of Leather, and International Caledonian Assets; previously he was group finance director of Hambros Bank. Mr Sheldon succeeds **Mr Jack Grant** who becomes a non-executive director.

■ We have been asked to point out that **Mr Hugh Jenkins,** chief executive of PRUDENTIAL PORTFOLIO MANAGERS, investment arm of the Prudential Corporation, has additionally taken over direct control of the property division as chairman.

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AUTHORISED UNIT TRUSTS

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Abbey Unit Tst Mngrs (1000)H						
80 Holdenhurst Rd, Bournemouth 0345 717373						
High Income						
American Income	6	49.59	49.59	53.04	-0.22	3.17
Gilts & Fixed Int	6	100.9	100.9	106.9	+0.5	10.29
High Inc Equity	6	124.3	127.7xd	135.9	+1.2	4.67
Worldwide Bond	6	193.6	193.6xd	205.2	+0.1	6.29
Capital Growth						
American Growth	6	182.3	182.3	195.0	+0.3	1.06
Asian Pacific	6	131.9	134.7	143.4	+1.8	0.00
Assets & Earnings	6	143.6	143.6	153.6	+0.1	3.16
Capital Reserve Acc	0	89.95	89.95	90.03	+0.12	6.66
Capital Reserve Inc	0	75.61	75.61	75.67	+0.1	7.93
Commodity & Energy	6	97.23	97.23	104.0	-0.2	0.81
Dividend & Growth	6	43.86	44.89	47.78	.....	4.71
1992 Enterprise	6	59.34	59.34	63.47	+0.49	2.52
Euro Capital Acc	6	104.0	104.0	111.3	+1.1	0.85
Euro Capital Inc	6	99.84	99.84xd	106.8	+1.0	0.89
General	6	161.9	161.9	173.2	+1.3	2.89
International	6	58.38	59.13	62.91	+0.35	0.79
Japan	6	94.13	94.13	100.7	-0.9	0.00
Mastertrust	6	86.54	86.54	92.56	+0.30	1.52
UK Growth Acc	6	163.6	163.6	175.0	+0.7	1.63
UK Growth Dist	6	106.9	106.9xd	114.4	+0.4	2.49
US Emerging Cos	6	55.07	55.07	58.90	+0.67	0.00
Income & Growth	6	276.9	276.9xd	296.2	+1.9	3.46
Ethical	6	44.38	44.38	47.47	+0.19	2.11
Abtrust Management Ltd (1200)H						
10 Queens Terrace, Aberdeen AB9 1QJ 0800 833580						
Amer Inc & Growth	5¼	31.94	31.94xd	34.10	-0.02	2.25
European	5¼	93.26	93.38	99.68	+1.30	0.00
European Income	5¼	89.55	89.63	95.68	+0.27	1.48
Exempt	1	699.7	699.7xd	722.1	+6.10	1.44
Exempt Income	5¼	163.7	163.7	173.6	+3.00	5.06
Exempt American	5¼	372.7	372.7xd	390.7	-0.50	1.59
Exempt Pacific	5¼	253.4	253.4	266.8	-0.40	0.00
Extra Income	5¼	39.81	39.81	42.50	+0.32	6.06
F East Emerg Econs	5¼	61.68	62.15	66.56	-0.11	0.01
Fund Inv Tst	5	120.6	125.9xd	134.4	+0.60	0.63
Do Accum	5	189.1	197.5xd	210.8	+0.90	1.50
Gilt & Fixed Int	5¼	16.37	16.75	17.88	-0.18	10.74
Income & Growth	5¼	63.78	63.78xd	68.09	+0.60	4.03
Intl Income	5¼	60.78	60.78xd	64.89	+0.43	4.58
Japan	5¼	162.4	162.4	173.3	-1.70	0.00
Pacific	5¼	41.93	42.22xd	45.22	-0.26	0.01
Secure Income	3	171.2	171.2xd	182.8	+1.40	6.91
Smaller Companies	5¼	47.81	47.81	51.04	+0.08	2.06
Special Situations	5¼	59.73	59.73xd	63.76	+0.29	0.75

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Brown Shipley & Co Ltd—Contd.						
North American	6	62.56	62.56	66.65	+0.10	0.38
Orient ♦	6	113.3	114.4xd	122.1	-0.40	—
Recovery	6	42.09	42.09	44.83	-0.06	3.80
Smaller Cos Acc	6	232.8	232.8xd	249.1	-1.50	—
Smaller Cos Inc	6	142.6	142.6xd	152.6	-0.80	1.29
Brycourt Unit Tst Mngmt Ltd (1400)F						
Hesketh Hse, Portman Sq, W1H 0JR 071-935 6382						
Income Growth	1	173.5	173.5xd	179.9	.....	5.40
Buckmaster Managmt Co Ltd (1200)H						
19 St Botolph Street, London EC3A 7JJ 071-247 4542						
Emerging Grwth	5¼	55.06	55.06	58.36	+0.57	1.32
(Accum Units)	5¼	57.01	57.01	60.43	+0.59	1.32
Fellowship Tst	5¼	60.34	60.97	64.87	+0.4	3.29
(Accum Units)	5¼	63.09	63.75	67.82	+0.11	3.29
General Inc	5¼	271.4	271.4	287.7	+3.8	3.80
(Accum Units)	5¼	465.0	465.0	492.9	+6.5	3.80
Income	5¼	142.4	145.0	153.8	+1.1	4.91
(Accum Units)	5¼	289.0	294.2	312.2	+4.4	4.91
International	5¼	109.9	109.9	116.5	+1.6	1.00
(Accum Units)	5¼	151.9	151.9	161.0	+2.1	1.00
Smaller Co's	5¼	93.25	93.25	98.85	+0.28	2.13
(Accum Units)	5¼	103.4	103.4	109.6	+0.3	2.13
Inv Portfolio	3	50.96	50.96	52.74	+0.27	5.46
(Accum Units)	3	53.43	53.43	55.30	+0.3	5.46
High Income Port	3	42.57	43.40	44.97	+0.62	5.07
Burrage Unit Tst Managmt Ltd (0905)F						
117 Fenchurch St, London EC3M 5AL 071-480 7216						
Short Dated Gilt	1¼	55.34	55.34	56.16	+0.13	12.94
CCF Foster Braithwaite UT Mngt (1100)F						
1 White Hart Yard, London SE1 1NX 071-407 5966						
CCF Sel High Inc Eqty	5¼	44.93	45.80	48.73	+0.38	5.4
CCF Sel Intl Grwth	5¼	46.18	46.18	49.66	+0.43	1.31
CCF Sel Inv Tst	5¼	44.59	45.85	48.78	+0.15	2.6
CCF Sel UK Sm Co's	5¼	43.24	44.65	47.51	+0.08	1.00
CCL Unit Trusts Ltd (1400)F						
74 Shepherds Bush Green, W12 8SD 081-740 7070						
UK General Tst	5¼	50.48	51.54	54.83	+0.44	2.86
Global Tst	5¼	45.27	45.84	48.77	+0.11	0.95
Recovery Tst	5¼	42.65	43.81xd	46.61	+0.48	1.92
CIBC Unit Tst Managers plc (1200)H						
Cottons Ctr, Cottons Lane, Ldn, SE1 2QL 071 234 6000						
Growth Fd Acc	5	108.1	109.3xd	115.3	+1.20	5.35
CIS Unit Managers Ltd (1000)F						
PO Box 105, Manchester M60 0AH 061 837 5060						
UK Growth	6	94.98	96.44	102.6	+0.9	3.00
UK Income	6	94.32	96.06xd	102.2	+0.8	6.30
CS Fund Managers Limited (1000)H						
125 High Holborn, London WC1V 6PY 071-242 1148						
CS America	5	61.01	61.01xd	64.90	+0.21	1.14
CS International	5	59.02	59.02xd	62.78	+0.38	1.22
CS Japan	5	132.3	132.3	140.3	-1.20	0.89
CS Portfolio Inv	5	67.02	67.02	71.29	+0.71	2.98

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Dunedin Unit Tst Mngrs Ltd (1400)H						
25, Ravelston Terrace, Edinburgh 031-315 2500						
British Grwth	5	170.7	171.6	182.6	+1.9	2.74
Europlane Grwth ♥	5	203.2	203.3	218.3	+3.1	0.42
Far East	5	334.5	334.5	355.9	+1.2	0.00
Income	5¼	152.2	152.7	162.4	+1.5	5.11
Jap Smllr Co	5	306.3	306.3	325.7	-0.2	0.00
Nth Amer ♥	5	145.1	146.5	155.9	+1.4	1.10
Exempt	3	103.6	105.5	108.8	+1.1	3.24
EFM Unit Tst Mngrs Ltd (1400)H						
4 Melville Crescent, Edinburgh 0345-090 526						
American ♥	5	74.15	74.15	78.78	+0.03	1.27
Capital	5	113.2	113.2xd	120.3	+0.6	1.66
Convertibles	5¼	20.89	20.89	22.20	+0.12	8.67
EuroFund	5	37.56	37.56	39.80	+0.28	0.75
Growth & Inc	5	192.6	192.6	204.6	+2.0	4.64
High Dist	5	144.0	144.0xd	153.0	+1.7	6.54
International	5	258.4	258.4	274.6	+2.0	1.09
Resources	5	23.90	23.90	25.37	-0.38	—
Pacific	5¼	41.37	41.37	43.99	+0.07	0.68
Smllr Jap Cos	5	59.69	59.69	63.23	-1.71	—
Tokyo	5	188.2	188.2	199.4	-2.3	—
Eagle Star Unit Mngrs Ltd (1000)H						
Bath Road, Cheltenham GL53 7LQ 0242 221311						
UK Balanced Inc	6	86.74	88.71	94.37	+0.84	3.23
UK Balanced Acc	6	94.03	96.16	102.3	+0.9	3.23
UK Growth Acc	6	132.4	135.7	144.4	+0.9	2.37
UK High Inc Inc	6	97.09	99.45xd	105.8	+0.7	6.31
Nth America Acc	6	74.96	76.44	81.32	+0.32	1.22
Far Eastern Acc	6	120.3	120.3	128	-0.8	0.05
European Acc	6	131.4	134.8	143.4	+0.9	.3
UK Pref & F I Inc	6	47.98	47.98	50.89	+0.43	9.37
UK Pref & F I Acc	6	62.20	62.20	65.99	+0.56	9.37
Intl Spec Sits Acc	6	44.58	44.58	47.43	+0.14	1.86
Environmental Opps	6	48.46	49.66xd	52.83	+0.32	1.66
Elcon Ltd (1000)F						
Central Ct, Knoll Rise, Orpington, BR6 0JA 0689 70836						
Elcon Trust	5	140.76	148.9	159.9	.....	—
Endurance Fund Management Ltd (0905)F						
41 Harrington Gardens, London SW7 4JU 071-373 7261						
Endurance Fd	5	135.8	137.6	146.3	.....	2.46
Equitable Units Admin Ltd (1600)F						
Walton St., Aylesbury, Bucks, HP21 7QW 0296 431480						
European	5	62.94	63.74	67.09	+0.47	1.33
Far Eastern	5	173.19	177.12	186.44	-1.05	1.13
Gilt & Fxd Int	5	43.04	43.44	45.73	+0.26	10.91
High Income	5	99.42	102.05	107.42	+0.98	6.54
Intl Growth	5	75.09	77.11	81.17	+1.61	2.46
North American	5	72.69	74.57	78.49	-0.65	1.40
Pelican	5	94.29	96.92xd	102.60	+1.08	5.02
Special Sits	5	96.02	98.70	103.89	+0.72	4.38
Tst of Inv Tsts	5	102.94	105.70	111.26	+0.56	2.42

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Merlin Jupiter Unit Tst Mgrs Ltd (0905)F						
197 Knightsbridge, London SW7 1RB 071-581 3020						
American Cap	5	103.1	105.8	112.5	+0.1	0.90
Income	5	86.78	87.56	93.14	+0.08	4.58
Resources & General	5	111.2	112.5	119.6	+0.4	2.70
Special Sits	5	31.75	32.92	35.02	+1.52	5.83
International	5	52.51	52.51	56.06	-0.19	5.09
Ecology	5	57.16	58.42xd	62.14	+0.14	1.94

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Pearl Unit Trusts Ltd (1000)H						
PO Box 500, Thorpe Wood, Peterborough PE3 6GD						
Dealing: 0800 626577 Enquiries: 0733 47767						
Growth	5	106.4	108.7xd	114.3	+0.6	3.71
(Accum Units)	5	174.7	178.5	187.9	+1.0	3.71
Income	6	164.0	167.2xd	177.8	+1.2	4.99
Equity	6	167.3	170.2	181.0	+1.2	3.44
(Accum Units)	6	315.6	321.1	341.5	+2.4	3.44
Intl Equity	6	172.3	174.3	185.4	+0.9	2.06
(Accum Units)	6	181.1	183.3	194.9	+0.9	2.06
UK Income	6	45.27	46.02	48.95	+0.48	4.92
UK Intl 25	6	45.87	46.49	49.45	+0.33	3.65

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Pembroke Administration Ltd (1700)F						
18-19 Sandland St, London WC1R 4PZ 071-430 0556						
Pembroke Accum	5	80.88	83.47	88.47	.....	2.43
Perpetual Unit Tst Mngmt (1600)F						
48 Hart Street, Henley on Thames 0491 576868						
International Grwth	5¼	342.82	342.82	366.66	-1.08	1.00
Income	5	218.73	218.73xd	233.79	+2.17	5.61
W'wide Recovery	5¼	205.84	205.84	220.15	-0.29	1.14
American Growth	5¼	93.66	93.66	100.18	-1.36	1.40
Intl Emerging Cos	5¼	96.25	96.25	102.95	-0.36	3.42
Far East Grwth	5¼	132.31	132.31	141.51	-0.60	2.13
European Grwth	5¼	101.32	101.65	108.70	+0.80	1.56

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Schroder Unit Trusts Ltd—Contd.						
Japan Smllr Cos ♦	5¼	339.3	343.2	365.1	-3.30	0.00
(Accum Units) ♦	5¼	340.0	343.9	365.8	-3.40	0.00
Pacific Grwth ♦	5¼	48.15	49.11	52.24	+0.19	2.01
(Accum Units) ♦	5¼	48.38	49.35	52.49	+0.19	2.01
Smaller Co's	5¼	149.2	154.6	164.4	-0.10	3.00
(Accum Units)	5¼	163.7	169.6	180.4	-0.10	3.00
Tokyo ♦	5¼	78.99	79.35	84.41	-0.91	0.00
(Accum Units) ♦	5¼	79.39	80.16	85.27	-0.91	0.00
UK Equity	5¼	143.9	145.1	154.3	+1.40	3.58
(Accum Units)	5¼	241.3	243.4	258.9	+2.40	3.58
US Smllr Cos	5¼	48.20	49.32	52.46	-0.23	0.00
(Accum Units)	5¼	48.20	49.32	52.46	-0.23	0.00

GUIDE TO UNIT TRUST PRICING

INITIAL CHARGES
These represent the marketing, administrative and other costs which have to be paid by new purchasers. These charges are included in the price when the customer buys units.

OFFER PRICE
The price at which units may be bought.

BID PRICE
The price at which units may be sold.

CANCELLATION PRICE
The maximum spread between the offer and bid prices is determined by a formula laid down by the government. In practice, unit trust managers quote a much narrower spread. As a result, the bid price is often set well above the minimum permissible price which is called the cancellation price in the table. However the bid price might be moved to the cancellation price in circumstances in which there is a large excess of sellers of units over buyers.

TIME
The time shown alongside the fund manager's name is the time at which the unit trusts' daily dealing prices are normally set unless another time is indicated by the symbol alongside the individual unit trust name. The symbols are as follows: ♥ - 0001 to 1100 hours; ♦ - 1101 to 1400 hours; ♣ - 1401 to 1700 hours; ♠ - 1701 to midnight.

HISTORIC PRICING
The letter H denotes that the managers will deal on a historic price basis. This means that investors can obtain a firm quotation at the time of dealing. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis.

FORWARD PRICING
The letter F denotes that prices are set on a forward basis so that investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper show the prices at which deals were carried out yesterday.

SCHEME PARTICULARS AND REPORTS
The most recent report and scheme particulars can be obtained free of charge from fund managers. Other explanatory notes contained in last column of the FT Unit Trust Information pages.

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FT UNIT TRUST INFORMATION SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 01-925-2128

	Init Chge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Thornton Unit Managers Ltd (1000)F						
33 Cavendish Sq., London W1M 7HF 071-493 7262						
Dealing 071-493 8545						
American Opps	5	53.25	54.00	57.59	+0.17	0.19
(Accum Units)	5	54.78	55.58	59.27	+0.18	0.19
European Opps	5	76.90	77.08	82.21	+0.14	0.00
(Accum Units)	5	77.32	77.51	82.66	+0.14	0.00
Far Eastern Opps	5	129.25	129.31	138.14	-0.12	0.00
(Accum Units)	5	130.08	130.34	139.02	-0.13	0.00
Golden Opps	5	35.68	35.68	38.05	-0.37	0.00
(Accum Units)	5	36.70	36.70	39.14	-0.38	0.00
Intl Hi-Yield	5	58.99	59.02	62.95	+0.02	4.37
(Accum Units)	5	64.31	64.34	68.62	+0.02	4.37
Sanyo Japan Tst	5	62.43	62.43xd	66.58	-0.67	0.00
(Accum Units)	5	62.43	62.43xd	66.58	-0.67	0.00
Kangaroo	5	29.34	29.34	31.29	-0.19	1.34
(Accum Units)	5	29.51	29.51	31.46	-0.20	1.34
Oriental Income	5	32.87	32.87	35.06	+0.05	4.99
(Accum Units)	5	37.51	37.51	40.00	+0.05	4.99
Tiger	5	145.47	145.47xd	156.16	+0.19	0.71
(Accum Units)	5	148.05	148.05xd	157.91	+0.20	0.71
UK Hi-Yield	5	40.67	40.67	43.38	+0.17	5.27
(Accum Units)	5	46.51	46.51	49.60	+0.19	5.27
UK Opps	5	51.22	53.62	57.33	-0.07	0.74
(Accum Units)	5	55.81	58.42	62.47	-0.08	0.74
Three Counties Asset Mngmt Ltd (1430)F						
Cathbert House, Tower Road, Washington NE37 2SH 091 415 3034						
Balanced Portfolio	6	88.81	90.35	96.12	+0.78	4.00
Timberlake Trust Mngrs Ltd (0900)F						
1 White Hart Yard, London SE1 1NX 071-407 5966						
Portfolio	2	96.45	96.45	99.11	-0.14	1.19
Touche Remnant Unit Tst Mngt Ltd (1600)F						
Mermaid Hse, 2 Puddle Dock, EC4V 3AT 071-248 1250						
4 Hourly Pricing - 12 Noon Historic						
TR American Gwth	5¼	46.80	46.80	49.92	-0.33	0
TR Eur Sp Sits Acc	5¼	45.77	45.77	48.65	+0.01	0
TR Eur Sp Sits Inc	5¼	44.88	44.88xd	47.70	.....	0
TR Far East Opps Inc	5¼	22.99	23.07	24.35	+0.18	–
TR Far East Opps Acc	5¼	22.99	23.07	24.55	+0.18	–
TR General Growth	5¼	70.76	70.76	75.27	+0.63	2.72
TR Global Tech	5¼	71.74	71.74xd	76.52	-0.35	0
TR Income Growth	5¼	81.36	81.36	86.55	+0.95	4.63
TR Income Monthly	5¼	49.34	49.34	52.48	+0.13	7.75
TR Japan Growth	5¼	78.96	78.96	83.84	-1.15	0
TR Overseas Growth	5¼	65.78	65.78xd	70.14	-0.47	0
TR Smaller Cos	5¼	71.07	71.07xd	75.60	+0.46	2.53
TR Special Ops	5¼	81.66	81.66	86.87	+0.65	3.46
TR Mgd Ex Plan Acc	5¼	33.27	33.27	35.39	+0.29	2.79
TR Mgd Ex Plan Inc	5¼	31.20	31.20	33.19	+0.27	2.80
TR Wwide Sp Sit Acc	5¼	36.49	36.49	38.88	-0.35	0
TR Wwide Sp Sit Inc	5¼	36.45	36.45	38.84	-0.25	0
TR Pension Portfolio						
TR American Gwth ‡	6	28.18	28.56	30.27	+0.08	0
TR Eur Sp Sits ‡	6	36.46	36.81	39.02	+0.19	0
TR General Gwth ‡	6	23.54	23.8	25.22	+0.33	0
TR Global Tech ‡	6	28.33	28.71	30.43	+0.01	0
TR Income Growth ‡	6	23.78	24.03	25.47	+0.33	0

	Init Chge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Income Acc	5	68.75	68.75	73.28	——	4.42
Property Share	5	39.21	39.21	41.80	——	1.34
Smaller Co's	5	35.59	37.25	39.62	——	2.23
Nth American	5	61.80	61.80	66.09	——	1.63
International	5	47.30	47.30	50.58	——	1.46
Asset Value	5	148.45	148.45	158.76	——	5.74
Wright Seligman Fund Mngrs Ltd (1700)F						
11 Blomfield St, London EC2M 7AY 071-588 0592						
Intl Growth	5	101.79	101.79	107.15	——	3.57
UK Growth	5	94.22	94.22	99.18	——	5.02
UK Income	5	92.46	92.46	97.33	——	7.91
Weekly dealing day Tuesday						
The Yorkshire Unit Tst Mngrs Ltd (1100)F						
Woodsome Pk, Fenay Bdge, Huddersfield 0484 602250						
Yorkshire General	5¼	52.00	52.00	56.68	-0.09	2.62
YUTM Brit Eqy Inc Tst	5¼	56.38	56.38	60.60	+0.35	5.36
YUTM Intl Gwth Tst ‡	5¼	53.58	53.58xd	57.06	+0.37	0.69

OTHER UK UNIT TRUSTS

	Bid Price	Offer Price	+ or -	Yield Gross
Baillie Gifford & Co Ltd				
Int'l Expt May 2	557.6	578.4	——	0.68
Cent. Bd. of Fin. of Church of England‡‡				
2 Fore Street, London EC2Y 5AQ 01-588 1815				
Inv Fund Apr 30	497.20		——	5.39
Fxd Int Sec Apr 30	119.55		——	12.05
Deposit Apr 30	100.00		——	14.92
Charinco/Charishare‡‡ (1000)F				
33 King William Street, EC4R 9AS 01-280 2800				
C'inco Inc May 2	142.4	146.1	——	11.22
C'inco Acc May 2	631.0	647.7	——	11.22
C'share Inc May 2	146.8	152.6	-0.70	3.80
C'share Acc May 2	166.3	172.9	-0.80	3.80
CAFINVEST—Charities Aid Foundation				
48 Pembury Rd, Tonbridge TN9 2JD 0732 771333				
Balanced Growth	49.16	50.59	——	4.09
Income	48.01	48.99	——	8.00
Charities Official Invest. Fund‡‡				
2 Fore Street, London EC2Y 5AQ 071-588 1815				
Income Apr 30	474.87		——	5.69
Accum Apr 30	1645.55			–
Edinburgh Fund Mngrs PLC				
Exempt Funds				
American May 2	140.6	144.5	-0.1	1.54
Managed May 2	133.0	138.0	-2.6	2.10
Japan May 3	115.2	118.4	+2.6	0.17
Pacific May 4	559.5	574.9	-7.2	0.19
Sm Jap Cos May 4	503.8	517.7	+5.5	0.08
Fidelity Investment Services Ltd				
Magd Pens P'folio	123.0	125.8	+0.80	0.26
Robert Fleming Asset Mngmt Ltd				
Am Exempt May 1	£423.18	429.53	——	2.07
Gen Exempt May 1	£119.71	121.66	——	3.71
Jap Exempt May 1	£507.93	517.28	——	0.78
Pacific Exempt May 1	£94.22	96.20	——	3.68
Cont'l Euro Exmpt May 1	£107.87	109.98	——	2.52
Indexed Exempt May 3	£110.62	113.16	——	4.99
Amer Indxd Expt May 3	£94.36	95.30	——	3.41
Japan Indxd Expt May 3	£71.12	72.56	——	0.44
Euro Indxd Expt May 3	£112.46	114.73	——	2.62
O'seas Indxd Expt May 3	£100.03	102.35	——	2.16
Foreign & Colonial Pens Mngt Ltd				
Exempt Funds				
Anglo-Nippon Apr 30	1816.5	1908.7	-16.7	1.08
European Inc Apr 30	124.7	131.3	+0.3	1.88
European Acc Apr 30	132.9	140.1	+0.3	1.88
North American Apr 30	359.4	379.7	+2.1	1.84
South East Asia Apr 30	317.9	332.8	-4.1	2.80
Funds in Court*				
Capital May 2	471.8	475.3xd	——	2.17
Gross May 2	185.2	186.1	——	8.60
High Yield May 2	275.6	276.6	——	6.75
* Restricted to monies under Court control				
Henderson Unit Trust Management Ltd				
Pensions Magd	49.17	51.23xd	+0.48	4.38
Lazard Brothers & Co. Ltd				
Property Apr 3	£2925.0	3075.0	——	5.2
Inc Gth Prp Jan 24	£1525.0	1600.0	——	6.5
Lazard Investors Ltd ‡‡				

	Bid Price	Offer Price	+ or -	Yield Gross
NM Rothschild Asset Management Ltd				
NC Managed	55.4	59.0xd	+0.5	3.95
NC Property	191.9	209.7xd	——	–
J. Rothschild Fund Managers Ltd				
Intl Exempt	142.9	144.4	——	3.58
Stewart Ivory & Co Ltd				
Saints PPP Apr 2	248.4	261.5	——	0.00
Closed to new business				
Thornton Unit Managers Ltd				
Managed Exempt May 1	97.17	103.98xd	——	3.98
(Accum Units)	97.95	104.69xd	——	3.98
Touche Remnant Unit Tst Mngt Ltd				
TR Exempt European	1224	1238xd	——	1.46
TR Exempt Nth Amer	941	956xd	——	3.40
TR Exempt Pac Basin	862	875xd	——	0

INSURANCES

	Bid Price	Offer Price	+ or -	Yield Gross
AA Friendly Society				
(Investment Mngt M & G Inv Mngt Ltd)				
AA Friendly Sy Apr 12	–	168.1	——	–
Abbey Life Assurance Co Ltd				
80 Holdenhurst Road, Bournemouth 0202 292373				
Prop. Ser. 1	279.7	315.5	.....	–
Equity Ser. 1	123.7	130.3	+1.1	–
Prop. Acc. Ser 2	461.9	486.3	.....	–
Equity Ser 2	143.4	151.0	+1.2	–
Selective Acc	334.9	352.6	+2.3	–
Prop. Ser. 4	362.5	381.6	.....	–
Equity Ser. 4	148.0	155.8	+1.0	–
Man. Ser. 4	427.8	450.4	+2.1	–
Fixed Int. Ser. 4	206.2	217.2	+1.3	–
Indexed Inv. Ser. 4	141.8	149.4	+1.2	–
American Ser. 4	313.8	330.4	+0.8	–
Japan Ser 4	283.1	298.0	-2.3	–
European Ser 4	128.6	135.4	+1.1	–
High Inc. Ser. 4	441.5	464.8	+3.3	–
Money Ser. 4	247.7	260.8	.....	–
Intl Ser. 4	112.3	118.3	+0.6	–
Custodian Ser. 4	101.7	107.1	+0.3	–
Pension Funds				
Property	648.5	682.7	+0.1	–
Equity	1075.6	1132.3	+9.7	–
Selective	364.1	383.3	+2.4	–
Managed	808.4	851.0	+5.9	–

	Bid Price	Offer Price	+ or -	Yield Gross
Far Eastern	12.34	12.99	(z)	–
UK Equity	13.62	14.34	(z)	–
Fixed Interest	11.42	12.03	(z)	–
Gilt Edged (Z)	9.45	9.95	(z)	–
1982 Series				
Managed	269.02	283.28	(z)	–
Pre 1982 Series				
Aetna Life				
3 Way	647.26	681.27	(z)	–
Equity Pensions	1116.62	1116.85	(z)	–
Aetna Pensions Ltd				
3-Way Managed	608.25	640.26	——	–
Exempt Approved				
Mixed Managed	193.01	196.95	(z)	–
Gilt Edged	13.05		(z)	–
Albany Life Assurance Co Ltd				
3 Darkes Lane, Potters Bar EN6 1AJ 0707 42311				
Life Funds				
Brit Blue Chip Fd Acc(z)	138.4	145.6	+0.8	–
Equity Fd Acc(z)	1023.8	1077.7	+9.4	–
European Fd Acc(z)	301.7	317.5	+2.9	–
Intl Fxd Int Fd Acc(z)	207.1	218.0	+0.9	–
Fixed Int Acc(z)	327.7	344.9	+2.7	–
Gtd Money Fd Acc(z)	254.0	267.3	+0.1	–
High Income Fd Acc(z)	112.9	118.8	+0.8	–
Intl Man Fd Acc(z)	402.3	423.4	+0.4	–
Japan Fd(z)	287.9	303.0	-2.1	–
UK Smlr Co's Fd Acc(z)	99.4	104.5	-0.1	–
Europlus Metro	131.8	138.7	+0.3	–
Global Metro	103.7	109.1	.....	–
Sunrise Metro	121.7	128.0	+0.5	–
UK Metro	100.0	105.2	+0.1	–
Nth American Fd Acc(z)	218.0	229.5	+0.9	–
Pac Basin Fd Acc(z)	151.4	159.3	-1.5	–
Prop Fd Acc(z)	337.7	355.4	-0.1	–
Millennium	96.0	101.0	+0.4	–
Multiple Inv Acc(z)	709.4	746.7	+1.8	–
Pension Funds				
Brit Blue Chip Acc(z)	152.8	160.8	+1.2	–
Eq Pen Fd Acc(z)	1991.0	2095.7	+8.7	–
Euro Fd Acc(z)	420.7	442.8	+3.3	–
Fixed Int. Acc. (z)	702.2	739.1	+6.0	–
Gt Money Pn Acc(z)	481.2	506.4	+0.2	–
High Interest	164.4	173.0	+0.1	–
High Income Fd Acc(z)	120.3	126.6	+1.1	–
Intl Man Fd(z)	608.4	640.3	+0.8	–
Jap Pen Fd Acc(z)	398.6	419.5	-3.9	–
UK Smlr Co's Fd Acc(z)	104.0	109.4	.....	–
Europlus Metro	148.7	156.5	+0.5	–
Global Metro	108.5	114.2	.....	–
Sunrise Metro	133.8	140.8	+0.7	–
UK Metro	104.4	109.8	+0.3	–
N Am Pn Fd Acc(z)	279.1	293.7	+1.5	–
Pac Basin Fd Acc(z)	175.3	184.5	-2.3	–
Property(z)	585.2	616.09	-0.4	–
Mltple Inv Pens Acc(z)	1440.0	1515.7	+4.8	–
Broker Funds				
YRA Strategy	124.6	131.1	-0.4	–
YRA Performance	111.1	116.9	-0.2	–
Langholm Dollar (SZ)	139.8	147.1	+0.6	–
Allied Dunbar Assurance Plc				
Allied Dunbar Ctr, Swindon SN1 1EL 0793 514514				
Fixed Int. Dep. Acc	280.9	295.7	+0.1	–
Equity Acc	870.8	916.7	+6.3	–
Property Acc	533.7	561.8	——	–
Far East Acc	195.7	206.0	-0.6	–
European Acc	27.9	29.4	-0.1	–
Managed Cap	381.4	401.5	+2.4	–
Managed Acc	689.7	726.0	+4.4	–
O'seas Earnings Acc	583.6	614.4	+3.4	–
Gilt Edged Acc	290.6	305.9	+2.0	–
American Equity Acc	469.6	494.4	+0.6	–
American Man.Acc	215.4	226.8	+0.1	–
American Prop Acc	138.9	146.3	-0.1	–
Pen.F.I.Dep.Cap	313.3	329.8	+0.1	–
Pen.F.I.Dep.Acc	553.7	582.9	+0.3	–
Pen. Prop. Cap	603.6	635.4	-0.1	–
Pen. Prop. Acc	1179.8	1241.9	——	–
Pen. Man. Cap	810.4	853.1	+5.4	–
Pen. Man. Acc	1584.6	1668.1	+10.7	–
Pen.GiltEdg.Cap	292.4	307.8	+2.2	–
Pen. Gilt Edg. Acc	467.1	491.7	+3.4	–
Pen. Eq. Cap	1313.0	1382.2	+10.6	–
Pen. Eq. Acc	1943.9	2046.3	+15.7	–
Pen. Am. Eq Cap	155.0	163.2	+0.3	–
Pen. Am. Eq Acc	195.4	205.7	+0.4	–

	Bid Price	Offer Price	+ or -	Yield Gross
Barclays Life Assur. Co Ltd				
252 Romford Road, London E7 081-534 5544				
Barclaybond	440.1	463.4	+1.5	–
Managed Accum	368.9	388.4	+1.3	–
Equity Accum	554.8	584.0	+4.8	–
Property Accum	313.4	329.9	.....	–
International Accum	302.7	318.7	+1.1	–
Gilt-edged Accum	218.6	230.2	+1.9	–
Money Accum	220.5	232.2	(z)	–
American Accum	184.0	193.7	+0.9	–
Australia Accum	156.4	164.7	-2.2	–
Financial Accum	240.8	253.5	-0.2	–
"500" Accum	295.0	310.6	+0.3	–
European Gwth Accum	205.1	215.9	+2.3	–
Income Accum	339.8	357.7	+2.0	–
Japan & Gen Accum	375.1	394.9	-3.1	–
Leisure Accum	192.4	202.6	+0.2	–
Spec Sits Fd Accum	136.7	143.9	+0.3	–
Universal Tec Accum	119.7	126.0	+0.6	–
Smaller Co's Accum	104.5	110.1	-1.6	–
Do Initial	96.6	101.7	-1.4	–
Managed Pns Accum	550.0	579.0	+3.2	–
Equity Pns Accum	218.1	229.6	+1.8	–
Intal Pns Accum	168.2	177.1	+0.6	–
Gilt-edged Pns Accum	353.1	371.7	+2.9	–
Money Pen Accum	365.8	385.1	.....	–
Property Pns Accum	170.2	179.2	.....	–
"500" Pens Accum	94.0	99.0	+0.1	–
Income Pens Accum	106.4	112.1	+0.6	–
Smaller Cos Pens Accum	94.2	99.2	-1.4	–
Special Sits Pens Accum	83.8	88.3	+0.2	–
Financial Pens Accum	90.9	95.7	-0.1	–
Leisure Pens Accum	93.1	98.0	-0.1	–
America Pens Accum	108.5	114.0	+0.5	–
Australia Pens Accum	92.0	96.9	-1.3	–
European Gwth Pens Accum	160.5	169.0	+1.9	–
Japan & Gen Pens Accum	86.6	91.2	-0.7	–
Universal Tech Pens Accum	104.2	109.7	+0.4	–
Pens Deposit Accum				12.0
For prices of initial Units phone 01-534 5544.				
Black Horse Life Ass. Co Ltd				
Mountbatten Hse, Chatham, Kent. 0634 834000				
Life Funds				
The Managed Invest Fd	317.80	334.53	——	–
The Income Fund	511.54	538.47	——	–
The Extra Income Fund	450.04	473.73	——	–
The Widows Growth Fd	367.29	386.63	——	–
The Balanced Fund	415.78	437.67	——	–
Smlr Co's & Rcvy Fd	476.22	501.29	——	–
The Int Technology Fd	365.20	384.45	——	–
The Nth Amer & Gen Fd	265.34	279.31	——	–
The Energy Int Fd	152.71	160.75	——	–
The Pacific Basin Fund	299.57	315.34	——	–
The German Growth Fund	190.94	200.99	——	–
The Japan Growth Fund	169.60	178.53	——	–
The UK Growth Fund	139.56	146.91	——	–
The Cont'l Eur Gwth Fd	103.83	109.30	——	–
Nth Amer S.C. & Rcvy	144.49	152.10	——	–
The Property Fund	315.72	332.34	——	–

	Bid Price	Offer Price	+ or -	Yield Gross
Clerical Medical Investments Group				
Narrow Plain, Bristol BS2 0JH 0272-290566				
Performance Pensions				
With-Profits (Reg)	126.7	133.4	+0.2	–
With-Profits (Single)	126.7	133.4	+0.2	–
Mixed	151.0	159.0	+0.9	–
Index Linked	113.3	119.3	+1.1	–
Cash	124.9	131.5	+0.1	–
Special Situations	100.0	105.3	.....	–
International	128.9	135.7	+0.3	–
Gilt & Fixed Int	95.0	100.0	+1.2	–
Property	130.8	137.7	.....	–
UK Equity	137.0	144.3	+1.5	–
European	201.8	212.5	+2.7	–
North American	172.8	181.9	-0.2	–
Japan	113.2	119.3	-1.2	–
South East Asia	253.9	267.3	+1.6	–
Evergreen	100.3	105.6	+0.4	–
Clerical Medical Managed Funds Ltd				
15 St James's Sq, London SW1Y 4LQ 071-930 5474				
Cash	259.2	259.2	——	–
Mixed	591.4	599.2	——	–
Fixed Interest	276.3	277.7	——	–
UK Equity	505.4	515.5	——	–
Property	243.6	254.6	——	–
Overseas	347.3	357.7	——	–
Index Linked	154.3	156.1	——	–
Stock Exchange	238.6	243.4	——	–
Prices on May 2 Unit dealings on Weds.				
Colonial Mutual Group				
24 Ludgate Hill, London EC4P 4BD 071-248 9861				
CML (Unit Accumulated)				
Key		183.50	——	–
Pacemaker		236.02	——	–
Cash	158.75	167.11	——	–
Equity	373.62	393.28	——	–
Fixed Interest	199.87	210.39	——	–
Managed	275.51	290.01	——	–
Property	304.70	320.74	——	–
CML (Pension Annuities)—Rainbow Plans				
Cash Cap	167.90	176.73	+0.35	–
Cash Inv	209.28	220.30	+0.58	–
Equity Cap	1003.49	1056.82	-0.29	–
Equity Inv	1263.28	1329.76	+0.53	–
Fixed Int Cap	233.85	246.17	+1.12	–
Fixed Int Inv	291.48	306.83	+1.6	–
Index Link Cap	154.68	162.83	+1.32	–
Index Link Inv	192.80	202.95	+1.78	–
Managed Cap	412.00	433.70	-0.52	–
Managed Inv	513.53	540.57	-0.28	–
Unity Pensions Funds				
Managed	106.93	112.57	-0.09	–
Deposit	118.52	124.77	+0.33	–

	Bid Price	Offer Price	+ or -	Yield Gross
Equity & Law—Contd.				
Pens N America (z)	108.6	114.3	+1.0	–
Pens Far East (z)	203.2	213.8	+0.8	–
Pens Europe (z)	196.3	206.6	+2.0	–
Pens Overseas (z)	589.0	620.0	+5.0	–
Pens Property (z)	414.9	436.7	.....	–
Pens Fixed Int (z)	305.9	322.0	+2.7	–
Pens Index-Linked Sec (z)	158.3	166.6	+1.6	–
Pens Cash (z)	298.5	314.2	——	–
Pens DAF Series 2(z)	169.9	178.8	——	–
Pens DAF Series 1(z)	330.2	347.5	——	–
For FS Assc Ltd see Britannia Life Ltd				
Family Assurance Society				
19 New Rd Brighton BN1 1WS 0273 724570				
Family A Managed	501.57	511.81	——	–
Family A Managed Ser 2	52.60	56.37	——	–
Family B Managed	322.16	328.74	——	–
Family B Managed Ser 2	53.99	56.84	——	–
Family C Brit	272.36	277.92	——	–
Family C Brit Ser 2	50.76	53.43	——	–
Family D Fixed Int	222.19	226.72	——	–
Family D Fxd Int Ser 2	45.50	47.90	——	–
Family Capital Mngd	295.28	301.30	——	–
Family F Brit H	156.18	159.37	——	–
Family Growth Series 1	143.78	146.71	——	–
Family Growth Series 2	76.37	80.39	——	–
Fmly Concentrated Gth	88.24	92.88	——	–
Family Performance Fd	88.08	92.72	——	–
Family Safety First Fd	56.06	56.06	——	–
Freeway Pension	56.26	59.22	——	–
Friends Provident				
Castle Street, Salisbury, Wilts SP1 3SH. 0722 336242				
Life Funds				
Managed (Mixed)	207.1	218.1	+0.9	–
UK Equity	255.4	268.9	+1.3	–
Stewardship	224.8	236.7	+0.6	–
Overseas Equity	208.2	219.2	+1.2	–
North American	109.0	114.8	-0.1	–
Pacific Basin	107.1	112.8	.....	–
Europe	162.9	171.5	+2.5	–
Property	207.1	218.0	+0.1	–
Fixed Interest	138.3	145.6	+0.2	–
Index Linked	115.3	121.4	+1.6	–
Cash	149.6	157.5	+0.1	–
Deposit	104.1	109.6	+0.1	–
Pension Funds (Accum Units)				
Managed (Mixed)	240.1	252.8	+1.7	–
UK Equity	281.0	295.8	+2.4	–
Stewardship	330.6	348.0	+1.2	–
Overseas Equity	246.3	259.3	+1.6	–
North American	115.5	121.6	.....	–
Pacific Basin	110.2	116.0	+0.1	–

	Bid Price	Offer Price	+ or -	Yield Gross
Guardian Royal Exchange—Contd.				
GRE Linked Life Assurance Ltd				
Managed Initial	358.0	376.9	+5.0	–
Do Accum	460.5	484.7	+6.4	–
Equity Initial	536.2	564.5	+8.8	–
Do. Accum	699.7	736.0	+11.3	–
Fixed Int. Initial	264.3	278.2	+1.5	–
Do. Accum	339.9	357.8	+1.9	–
Intnl. Initial	364.6	383.8	-1.6	–
Do. Accum	468.9	493.6	-2.0	–
North American Initial	119.3	125.7	-0.6	–
Do Accum	139.7	147.1	-0.7	–
Pacific Initial	206.5	217.3	-2.6	–
Do Accum	239.4	252.0	-2.9	–
European Initial	94.0	98.9	+0.3	–
Do. Accum	101.7	107.0	+0.3	–
Property Initial	207.3	218.1	.....	–
Do Accum	266.5	280.5	.....	–
Index-Linked Gilt Init	123.3	129.8	+0.5	–
Do Accum	144.3	151.9	+0.5	–
Deposit Initial	162.6	171.1	.....	–
Deposit Accum	209.1	220.1	+0.1	–
GRE Pensions Management Ltd				
Pens. Managed Initial	437.5	460.5	+6.2	–
Pens. Managed Acc	550.0	578.9	+7.8	–
Pens. Equity Initial	570.9	601.0	+9.4	–
Pens. Equity Acc	717.7	755.5	+11.8	–
Pens. Fxd Int. Initial	308.1	324.3	+2.0	–
Pens. Fixed Int. Acc	387.3	407.7	+2.6	–
Pens. Int'l Initial	351.4	370.0	-2.7	–
Pens. Int'l. Acc	441.8	465.1	-3.4	–
Pens. Prp. Initial	246.6	259.5	.....	–
Pens. Prp. Acc	308.7	324.9	.....	–
Pens. Ind-Lkd. Gilt In	150.4	158.4	+0.4	–
Pens. Ind-Lkd Gt Ac	176.1	185.4	+0.5	–
Pens. Dep Initial	239.3	251.9	+0.2	–
Pens. Dep. Acc	300.8	316.6	+0.2	–
Hearts of Oak Insurance Group				
84 Kingsway, London WC2B 6NF 071-404 0393				
HOBS Prop Fund	72.4	76.2	——	–
HOBS Prop Pens Fund	72.9	76.2	——	–
HOBS Managed Fund	230.7	245.2	——	–
HOBS Pens Man Fund	175.5	184.8	——	–
HOBS Tax Exempt Fund	115.8	122.7	——	–
HOBS P.P. Man Fund	116.9	123.1	——	–
HOBS App Man Fund	56.7	59.6	——	–
LANMAS Equity Fd	128.1	136.1	——	–
LANMAS Intl	51.3	54.4	——	–
LANMAS Deposit	50.7	53.7	——	–
LANMAS Equity Ser 2	45.8	48.5	——	–
Henderson Administration(z)				
3 Finsbury Ave. London EC2 M2PA 071-638 5757				
UK Equity Income	297.3	313.8	-0.5	4.50
Fixed Interest	70.3	74.2	-0.3	10.50
UK Cap Growth	271.7	286.8	-0.8	–
Global Equity	324.5	342.5	+1.2	–
N. America	244.1	257.7	+0.7	–
Far East	364.5	384.8	+0.4	–
Managed	317.4	335.0	-1.9	–

	Bid Price	Offer Price	+ or -	Yield Gross
Laurentian Life plc—Contd.				
formerly Trident Life				
Life Funds				
Equity Ser 3 Acc	464.4	488.8	+6.0	–
Gtd Managed Acc	330.9	348.3	+1.8	–
Pension Funds				
Pens Equity	626.4	659.4	+7.9	–
Pens Managed	581.8	612.4	+4.7	–
Pens Gilt-Edge	357.8	376.6	+2.4	–
Pens Deposit	381.0	401.1	.....	–
Pens Property	367.2	387.1	.....	–
Swiss Bond	185.0	194.7	-0.8	–
Legal & General (Unit Assur) Ltd				
2 Montefiore Road, Hove, BN3 1SE 0273 824000				
British Opps Accum	107.9	113.6	+0.8	–
Bldg Soc Lkd Accum	141.0	148.5	+0.1	–
Cash Accum	218.1	229.6	+0.1	–
Equity Accum	687.9	724.2	+7.7	–
European Accum	179.8	189.3	+1.5	–
Far Eastern Accum	237.8	250.4	-0.6	–
Fixed Accum	354.0	372.7	+1.9	–
Index-Linked Accum	134.7	141.8	+1.2	–
International Accum	412.7	434.5	-0.1	–
Managed Accum	520.0	547.4	+3.8	–
Nth American Accum	156.7	165.0	+0.3	–
Property Accum	333.0	350.6		–
W'wide Opps Accum	107.3	113.0	+0.4	–
Prices for Cap Acc Plan & Cap Inv Port dated before July 1981 Tel.0273 824000				
Legal & General (Unit Pensions) Ltd				
Kingswood House, Kingswood, Tadworth, Surrey 0737 370370				
Ex. Bldg. Soc. Initl	138.7	146.1	-0.2	–
Do. Accum	165.9	174.7	.....	–
Exempt Cash Init	248.0	261.1	+0.1	–
Do. Accum	374.6	394.4	+0.2	–
Exempt Eqty. Init	750.1	789.6	+9.7	–
Do. Accum	1132.8	1192.5	+14.7	–
Exempt Euro Init	212.5	223.7	+1.4	–
Do. Accum	246.8	259.8	+1.5	–
Exempt Far East'n Init	235.1	247.5	-1.2	–
Do Accum	273.1	287.5	-1.3	–
Exempt Fixed Init	343.0	361.1	+2.4	–
Do Accum	518.0	545.3	+3.7	–
Ex. Index Lnk. Gilt	120.2	126.6	+1.2	–
Do Accum	136.0	143.2	+1.4	–
Exempt Intl. Initial	219.7	231.3	-0.1	–
Do. Accum	297.7	313.4	-0.1	–
Exempt Mngd. Init	553.0	582.2	+4.4	–
Do Accum	835.2	879.2	+6.6	–
Exempt N. Amer. Init	165.5	174.3	.....	–
Do Accum	192.3	202.5	+0.2	–
Exempt Prop. Init	276.8	291.4	+0.1	–
Do. Accum	418.0	440.1	+0.2	–
Sp. Deposit Init	186.8	196.7	.....	–
Do. Accum	250.4	263.6	+0.1	–
Index Fund Init	91.3	96.2	+1.3	–

	Bid Price	Offer Price	+ or -	Yield Gross
Pension Fund Prices				
Managed Init		326.9	——	–
Do. Accum		459.8	——	–
Property Init		394.7	——	–
Do. Accum		556.2	——	–
Equity Init		383.3	——	–
Do. Accum		549.0	——	–
Gilt-Edged Init		203.9	——	–
Do. Accum		297.4	——	–
Guaranteed Init		184.4	——	–
Do. Accum		262.5	——	–
International Init		423.0	——	–
Do. Accum		600.7	——	–
Index Lk. Gilt Init		149.8	——	–
Do. Accum		213.4	——	–
Managed Ser 2	136.1	143.3	——	–
Property Ser 2	168.2	177.1	——	–
Equity Ser 2	122.1	128.5	——	–
Gilt Edged Ser 2	96.3	101.4	——	–
Guaranteed Ser 2	124.8	131.4	——	–
Intl Ser 2	135.6	142.7	——	–
Ind-Linked Ser 2	126.0	132.6	——	–
Merchant Investors Assurance Co Ltd				
Part of the MI Group				
91 Wimpole St, London W1M 7DA				
Life Administration 0272 286366				
Pension Enquiries/Unit Prices 081-686 9171				
MI Property	322.9		+0.1	–
MI Property Pens	750.5		+0.2	–
MI UK Equity	205.9		+0.3	–
MI UK Equity Pens	916.9		+2.1	–
MI Gilt-Edged Fund	339.1		+1.0	–
MI Gilt-Edged Fd Pens	668.4		+2.1	–
MI Income	44.5		+0.1	–
MI Income Pens	43.3		+0.1	–
MI Interest Fund	283.7		+0.1	–
MI Interest Fd Pens	499.5		+0.1	–

	Bid Price	Offer Price	+ or -	Yield Gross
Merchant Investors Assurance Co Ltd—Contd.				
MI UK Fund	335.8		+0.5	–
MI UK Pens	634.6		+1.3	–
MI Intl Equity	376.1		+1.7	–
MI Intl Equity Pens	582.8		+3.5	–
MI International Fund	360.8		+1.0	–
MI Intl Fd Pens	521.4		+1.8	–
MI Nth American Equity Fund	140.5		+1.2	–
MI Nth Am Equity Pens	157.8		+1.7	–
MI Far East Equity Fund	301.3		+0.9	–
MI Far East Equity Pens	397.5		+1.7	–
MI Currency Fund	206.5		-0.4	–
MI Currency Fd Pens	267.0		-0.6	–
MI Index Linked	161.9		+2.6	–
MI Managed Fund	54.3		+0.1	–
MI Managed Pens	54.4		+0.1	–
MI Loran & Loran	221.2		-0.3	–
MI Wilton Mngd Fd	191.3		.....	–
Trustlink Life Funds				
MI Baring Fd	113.8		.....	–
MI Bar American Gwth	113.5		+0.3	–
MI Bar Am Smllr Cos	118.8		+0.2	–
MI Bar Japan Growth	103.0		-0.8	–
MI Bar Jpn Smaller	96.3		-0.7	–
MI Bar Eastern	144.1		+1.3	–
MI Bar UK Growth	98.5		+0.3	–
MI Bar UK Smllr Cos	86.9			–
MI Bar Equity Income	100.5		+1.1	–
MI Bar European Gwth	155.4		+0.6	–
MI Bar Convertibles	99.1		+0.7	–
MI Fid American	134.8		-0.1	–
MI Fid Japan	136.8		-0.8	–
MI Fid European	244.8		+1.1	–
MI Fid UK	157.5		+0.7	–
MI Fid Pacific	159.7			–
MI Fidelity Fund	149.7		+0.3	–
MI Fid Intl Income	127.0		+0.2	–
MI Fid Int Spec Sits	185.5		+0.4	–
MI Fram Amer Sm Cos Fd	121.6		+0.2	–
MI Fram Capital	149.2		-0.1	–
MI Fram Income & Growth	190.4		+0.3	–
MI Fram Intl Growth	149.2		+0.6	–
MI Fram Japan & Gen	225.4			–
MI Fram Recovery	193.8		+0.1	–
MI Fram Conv & Gilt	147.1		+0.1	–
MI Fram European	193.2		+0.9	–
MI Fram Amer T'nd	107.9		+0.4	–
MI Fram Financial	121.9		+0.5	–
MI Fram Extra Inc	106.0			–
MI Fram Smllr Cos	92.9		+0.1	–
MI Gar American	143.7		-0.2	–
MI Gar European	210.2		+1.6	–
MI Gar British Gwth	181.2		+2.4	–
MI Gar Global	152.3		-0.2	–
MI Gar Special Sits	121.2		+2.6	–
MI Gar Smaller Co's	159.0		+0.1	–
MI Gar Australian	73.7		-0.6	–
MI Gar Gold Share	109.0		-0.8	–
MI Gar Int Sel Opps	108.1		+0.2	–

	Bid Price	Offer Price	+ or -	Yield Gross
Tokyo	476.6	501.6	+1.1	–
Universal Managed	106.7	112.3	-0.2	–
UK Equity	407.3	428.7	+4.9	–
US Smllr Cos	101.4	106.7	+0.4	–
Pens AES Mngd	641.6	675.3	+5.7	–
Pens American	291.3	306.6	-1.6	–
Pens Australian	390.2	410.7	-4.6	–
Pens CCM Vanguard	207.9	218.8	+0.7	–
Pens Conscience	101.1	106.4	.....	–
Pens Deposit	193.6	203.7	+0.1	–
Pens Equity	687.4	723.5	-1.4	–
Pens European	319.6	336.4	.....	–
Pens Far East Gwth	275.2	289.6	-0.2	–
Pens Fixed Interest	316.3	332.9	+3.1	–
Pens Income Acc	260.4	274.1	+3.5	–
Pens International	180.0	189.4	+0.2	–
Pens Japan Smllr Cos	715.7	753.3	+0.9	–
Pens Managed	1406.2	1480.2	-0.7	–
Pens Property	413.3	435.0	-1.6	–
Pens Residential Prop	110.8	116.6	.....	–
Pens S'pore & Malay	280.2	294.9	+10.0	–
Pens Smaller Cos	176.3	185.5	+0.3	–
Pens Spec Sits	171.5	180.5	-0.4	–
Pens Tokyo	627.1	660.1	+1.5	–
Pens Universal Mngd	114.9	120.9	-0.2	–
Pens UK Equity	233.4	245.6	+3.4	–
Pens US Smllr Cos	127.3	134.0	+0.8	–
Prices: Life Series 4 Acc; Pension Series C Acc May 4				
N & P Life Assurance Ltd				
6-7 Bedford Row, London, WC1R 4UJ 071-430 2348				
Life Managed Fd	93.6	98.5	+0.7	–
Pension Managed Fd	91.3	96.1	+1.2	–
Life Deposit Fd	96.8	101.9	——	–
Pension Deposit Fd	97.6	102.7	——	–

Continued on next page

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National Financial Management Corp PLC
72 Gatehouse Rd, Aylesbury, HP19 3XJ 0296 395539

	Bid Price	Offer Price	+ or −	Yield Gross
Life Funds				
Managed Cautionary	98.3	103.5	−0.1	–
Managed Growth	135.3	142.5	+0.2	–
Managed Opportunity	137.5	144.8	−0.2	–
NFMC Target Financial	94.2	99.2	−0.2	–
Pension Funds				
Managed Cautionary	104.0	109.5	−0.2	–
Managed Growth	138.0	145.3	−1.4	–
Managed Opportunity	140.1	147.5	−0.1	–
NFMC Target Mngd Pns	1463.4	1540.5	+5.4	–

National Mutual Life
The Priory, Priory Pk, Hitchin, SG5 2DW 0462 422422

	Bid Price	Offer Price	+ or −	Yield Gross
Managed Fund	211.2	222.4	——	–
Managed Prospect Fund	177.6	187.0	——	–
Pens Managed	277.2	291.8	——	–
Pens UK Equity	319.5	336.4	——	–
Pens Overseas Equity	389.7	410.3	——	–
Pens Property	146.7	154.5	——	–
Pens Fixed Interest	162.6	171.2	——	–
Pens Index Linked	140.1	147.5	——	–
Pens Deposit	194.9	205.2	——	–
Harvester & P.R.P.				
UK Equity	139.7	147.1	——	–
Overseas Equity	139.5	146.9	——	–
Fixed Interest	111.2	117.1	——	–
Property	122.1	128.6	——	–
Index Linked	127.3	134.1	——	–
Deposit	135.3	142.5	——	–
Managed	139.8	147.2	——	–
With Profits	137.9	145.2	——	–

National Provident Institution
48 Gracechurch St, London EC3P 3HH 071-623 4200

	Bid Price	Offer Price	+ or −	Yield Gross
Managed	328.0	345.3	+2.6	–
UK Equity	409.9	431.5	+5.3	–
Overseas Eq.	349.9	368.4	−0.1	–
Americas	262.1	275.9	+1.0	–
Far East	364.5	383.7	−2.0	–
Property	215.5	226.9	——	–
Fixed Int	207.7	218.7	+2.0	–
Indexed Gilt	137.2	144.5	+1.7	–
Deposit	163.0	171.6	——	–
Pension Fund (Accum Units)				
Managed	446.0	469.5	+5.6	–
UK Equity	511.1	538.0	+6.5	–
Overseas Eq.	570.2	600.3	+1.4	–
Americas	347.8	366.2	——	–
Far East	599.8	631.4	−3.7	–
Property	265.9	279.9	——	–
Fixed Int	250.9	264.2	+2.4	–
Indexed Gilt	150.6	158.6	+1.9	–
Deposit	220.1	231.7	——	–
NPI Pensions Management Ltd				
Managed Fund	1029.8	1045.2	——	–

Prices May 1 Next dealing June 1

Norwich Union Asset Management Ltd
PO Box 124, Norwich NR1 1JS 0603 683986

	Bid Price	Offer Price	+ or −	Yield Gross
NUAM Funds				
Managed Fund	63.7	67.1	+0.5	–
Stock Market Mngd Fund	62.4	65.7	+0.4	–
Equity Fund	65.6	69.0	+0.7	–
International Fund	61.0	64.2	——	–
European Fund	74.8	78.8	+0.3	–
North American Fund	58.9	62.0	+0.2	–
Pacific Fund	62.6	65.9	−0.2	–
Property Fund	86.9	91.5	——	–
Fixed Interest Fund	48.6	51.2	+0.4	–
Index linked Sec Fund	56.3	59.2	+0.4	–
Deposit Fund	62.4	65.7	——	–

Providence Capital Life Assc. Co Ltd — Contd.

	Bid Price	Offer Price	+ or −	Yield Gross
UK Managed Initial	111.9		+0.9	–
Property Initial	167.5		−0.1	–
Money Initial	80.2		——	–
Special Market Initial	129.4		——	–
Japan Equity Initial	94.9		−1.0	–
North American Initial	82.0		+0.4	–
Pacific Initial	76.6		+0.1	–
Technology Initial	92.4		+0.1	–
Nat Resources Initial	54.8		−0.2	–
European Initial	109.3		+0.6	–
Residential Prop Init	99.5		——	–
Swiss Equities Initial	37.1		+0.4	–
Hong Kong Initial	49.5		+0.1	–
UK High Inc Eq Init	64.2		+0.7	–
Int Fixed Interest Init	48.3		+0.2	–
Intl Managed Init	58.8		+0.2	–
HIP Managed Init	110.3		+0.4	–
HIP Managed II Initial	97.7		——	–
Broker Funds				
High Performance	74.0	78.0	——	–
Towerhill Mngd Fd Acc	51.9	54.7	+0.6	–
YRA Executive Fd	92.6	97.6	−0.2	–
£ Global Growth Acc	130.5	137.6	——	–
£ High Income Money Acc	111.4	117.7	——	–
JM Balanced	54.2		——	–
H. F. Speculator Fd	147.1		+0.6	–
PEP Acorn II	118.4		+0.4	–
PEP Cautionary	81.8		——	–
AAFS Int Man Fund	115.8		+0.2	–
Andrews-Green Inv Port	97.1		——	–
Individual Pension Funds				
UK Equity Acc	213.6	225.4	+3.3	–
UK Fixed Interest Acc	171.3	180.8	+1.2	–
Intl Equities Acc	243.8	257.2	+0.9	–
UK Managed Acc	176.1	185.7	+1.8	–
Property Acc	211.5	223.2	——	–
Money Acc	139.4	147.1	+0.1	–
Special Market Acc	258.2	272.4	+0.1	–
Japan Equity Acc	192.7	203.3	−2.0	–
North American Acc	128.1	135.2	+1.0	–
Pacific Acc	187.1	197.4	+0.1	–
Technology Acc	152.4	160.8	+0.1	–
Natural Resources Acc	107.3	113.2	−0.4	–
European Acc	146.9	155.0	+1.1	–
Residential Prop Acc	109.8	115.9	——	–
Swiss Equities Acc	38.4	40.6	+0.4	–
Hong Kong Acc	51.6	54.5	——	–
UK High Inc Equ Acc	71.1	75.0	+0.9	–
Int Fixed Interest Acc	51.7	54.6	+0.3	–
Int Managed Acc	59.4	62.6	+0.2	–
Group Pension Funds				
Equity Acc	803.0	827.9	+1.6	–
Fixed Interest Acc	525.8	542.1	——	–
Managed Acc	127.1	129.6	+0.4	–

Provident Life Assoc Ltd
Provident Way, Basingstoke RG21 2SZ 0256 470707

	Bid Price	Offer Price	+ or −	Yield Gross
Unit Fund (Mixed)	1000.8	1050.8	+2.9	–
Equity Fund	228.4	239.8	+0.1	–
International Fd	156.0	163.8	+0.9	–
Fixed Interest Fd	142.9	150.0	+1.3	–
Property Fund	225.7	237.0	——	–
Index-Linked Fund	140.8	147.8	+2.3	–
Deposit Fund	148.0	155.4	——	–
Pens. Mixed (Ord) Fd	240.1	252.1	+0.6	–
Gold Pensions				
Discretionary Fund	116.9		+0.3	–
Equity Fund	116.0		——	–
Fixed Interest Fund	103.8		+0.9	–
International Fund	119.5		+0.9	–
Property Fund	137.4		——	–

Towry Law & Co — Contd.

	Bid Price	Offer Price	+ or −	Yield Gross
Royal Life (Unit Linked)	113.0	112.9	——	–
Scot Equitable (Life)	155.5	163.7	+0.2	–
Scot Equitable (Pens)	120.2	128.5	+0.2	–
Scot Mutual (Life)	173.5	182.7	——	–
Scot Mutual (Pens)	159.8	168.3	——	–
Scot Mutual Venture Fd	113.1	119.1	——	–
Prudential Holborn	119.7	126.1	+0.3	–

J. D. Ward Financial Services Ltd
9 Kingsway, London, WC2 B6XF. 01-836-4321

	Bid Price	Offer Price	+ or −	Yield Gross
Target Mngd Bond	209.0	220.0	+1.3	–
Target Mngd Pension	128.3	135.1	+0.6	–
Albany Life Acc	184.0	195.6	+0.4	–
Albany Pens Acc	234.5	246.8	+0.8	–

Westcourt Asset Management Ltd
Weston Twr, West Bar Green, Sheffield 0742 754888

	Bid Price	Offer Price	+ or −	Yield Gross
High Inc Bd (Pr Cap)	91.9		——	–
Growth & Income (R H)	153.7	161.8	——	–
Global (RM Schr)	151.8	159.7	——	–
Managed (Target)	93.3	98.3	——	–
Ufton (Royal H)	139.5	146.9	——	–
Pension Fund (Roy H)	115.1	121.2	——	–

OFFSHORE AND OVERSEAS

GUERNSEY (SIB RECOGNISED)

BBV–Hambros Asset Mngmt (Guernsey) Ltd
PO Box 255, St Peter Port, Guernsey CI 0481 710651

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Bilbao-Vizcaya Euro	3	11.5	12.15	12.68	+0.25	–

Cigna International Fund Mngrs (CI) Ltd
PO Box 208 St Peter Port, Guernsey 0481 714315

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Sterling Multi-yield Fund						
Maximum Yield	5	£0.945	0.945	0.997	——	11.00
Market Yield	5	£0.911	0.911xd	0.962	[illegible]	8.75
Sterling Inc & Gwth	5	£0.901	0.901	0.952	[illegible]	7.50
Intl Inc & Gwth	5	£0.929	0.929	0.981	[illegible]	6.50
Intl Mngd Currency	5	£0.981	0.981	1.035	[illegible]	6.00

Grofund Invest Managers (Guernsey) Ltd
PO Box 255, St Peter Port, Guernsey CI 0481 710651

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Grofund International Ltd						
Inst Int Equity Mgd	5	£0.7970	0.7970	0.8566	[illegible]	–
Int Equity Mgd	5	£0.7985	0.7985	0.8470	[illegible]	–
Stg Cash	5	£–	–	1.000	——	–
£ Intl Equity Mgd	5	£1.493	1.493	1.610	[illegible]	–
£ Intl Bond	5	£–	–	1.000	——	–
£ Cash	5	£0.977	0.977	1.026	[illegible]	–
£ Intl Mngd H.	5	£–	–	1.000	——	–

Guinness Flight Fd Mngrs (Guernsey) Ltd

MANAGEMENT SERVICES

Capital House Fund Mgrs — Contd.

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Managed						
Intl Portfolio	5	$1.635	1.651	1.752	[illegible]	–
Managed Currency	5	$1.802	1.802	1.897	[illegible]	–

Gartmore Fund Managers International Ltd
PO Box 278, 45 La Motte St., Jersey 0534 27535

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Capital Strategy Fund Ltd (z)						
American Fd		$–	1.648		[illegible]	–
Canadian Fd		C$–	0.8283		[illegible]	1.00
British Fund		£–	2.134		[illegible]	3.00
European Fund		DM–	6.435		[illegible]	–
Eastern European		DM–	5.351		[illegible]	–
Asia Pacific Fd		$–	2.200		[illegible]	–
Japan Fund		Y–	657.9		+0.1	–
Australasian Fd		A$–	0.3140		[illegible]	1.00
Global Resources		$–	0.7704		[illegible]	1.78
Emerging Mkts Fd		£–	1.415		[illegible]	0.50
Int Growth Fund		$–	2.769		[illegible]	0.20
Sterling Bond Fd		£–	0.9491		[illegible]	10.32
ECU Bond Fund		Ecu–	0.9131		[illegible]	9.04
Int Bond Fund		$–	1.122		[illegible]	6.65
Global Conv Bd Fd		$–	16.66		−0.02	1.48
US$ Deposit Fd		$–	1.014		——	7.31
Sterling Deposit Fd		£–	1.028		——	13.98
French Franc Dep Fd		FFr–	10.18		——	8.65
Swiss Fr Dep.		SFr–	5.079		——	8.95
DM Deposit Fd		DM–	5.064		[illegible]	6.82
Yen Deposit Fd		Y–	505.7		——	6.17
Aust Dlr Deposit Fd		A$–	1.027		——	13.09

John Govett (Channel Islands) Ltd
PO Box 443, St. Helier, Jersey 0534 73141

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Govett Flexiblend Ltd						
Global Equity	5½	$9.38	9.38	9.47	+0.08	1.0
Global Bond	5½	$9.16	9.16	9.20	−0.01	7.5
Global Currency	5½	$8.91	8.91	8.95	−0.02	8.5
Global Balanced	5½	$9.56	9.56	9.63	+0.04	3.0
Dollar Cash	5	$9.36	9.36	9.40	——	8.5
European Bond	5	DM12.48	12.48	12.52	+0.03	7.0
Dollar Bond	5	$9.29	9.29	9.33	−0.01	8.0
Government Bond	5	$9.92	9.92	9.96	+0.01	8.0
Sterling Cash	5	£4.88	4.88	4.91	——	13.0
Japanese Equity	5½	Y1,407	1,407	1,421	——	0.0
Far East Equity	5½	$12.16	12.16	12.28	+0.03	1.0
US Equity	5½	$11.66	11.66	11.77	+0.12	1.0
European Equity	5½	DM16.36	16.36	16.52	+0.12	2.0
UK High Income	5	£4.22	4.22	4.24	+0.03	12.0
UK Equity General	5½	£4.46	4.46	4.50	−0.02	3.0

Initial charge may alter for sales in other jurisdictions

Hill Samuel Fund Mgrs (Jsy) Ltd (1000)F
PO Box 63, Bond Street, St. Helier, Jersey 0534 76029

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Stg Fixed Inc	5½	£1.014	1.014	1.077	[illegible]	11.02
Global Equity Fund	5½	$14.26	14.26	15.25	+0.08	0.87
European Equity	5½	DM19.66	19.66	21.03	+0.17	0.60
Intnl. Bond Fund						
Sterling Managed	5½	£9.92	9.92	10.57	+0.05	9.38
US Dollar Managed	5½	$12.50	12.50	13.34	+0.01	7.06
International Currency Fund						
Sterling Managed	5½	£25.85	25.85	27.35	−0.18	–
US Dollar Managed	5½	$27.73	27.73	29.34	−0.01	–
Sterling ♦	0	£21.79	21.79	21.79	——	14.02
US Dollar ♦	0	$35.62	35.62	35.62	+0.01	7.05
Deutschmark ♦	0	DM55.70	55.70	55.70	+0.02	6.95
Japanese Yen ♦	0	Y4,562	4,562	4,562	——	5.18
Swiss Franc ♦	0	SFr43.50	43.50	43.50	+0.01	7.68
Irish Punts ♦	0	I£20.45	20.45	20.45	+0.01	8.32

Lloyds Bank (CI) U/T Mgrs.
PO Box 195, St Helier, Jersey 0534 27561

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or −	Yield Gr's
Lloyds Tst. Gilt	2½	£8.432	8.455xd	8.677	[illegible]	12.91

Dealing daily

Midland Bank Fund Managers (Jersey) Ltd

ISLE OF MAN (SIB RECOGNISED)

LUXEMBOURG (SIB RECOGNISED)

JERSEY (SIB RECOGNISED)

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JERSEY (**)

SWITZERLAND (SIB RECOGNISED)

CANADA (SIB RECOGNISED)

IRELAND (SIB RECOGNISED)

GUERNSEY (**)

ISLE OF MAN (**)

LUXEMBOURG (**)

OTHER OFFSHORE FUNDS

OFFSHORE INSURANCES

Money Market Trust Funds

Money Market Bank Accounts

WORLD STOCK MARKETS

US MARKETS (3pm)

May 4	US$	+ or −
AAR	22¼	+⅛
AMCA	3⅞	—
AMR Corp	64	+⅞
ASA	47¼	+¼
Abbott Labs	68¼	+½
Acme Cleveland	9	+⅝
Adobe Res	11¼	−⅛
Advanced Micro	8½	−⅛
Aetna Life	49⅛	+⅞
AFFI Publ.	10⅛	−⅛
Ahmanson (H.F.)	17¼	+⅜
Air Prod & Chem	54½	+⅜
Alberto-Culver	24	+1
Albertson's	57⅞	+1⅛
Alcan Aluminium	20¼	+¼
Alco Standard	31⅞	+⅜
Alexander & Al	24⅞	+⅜
Alex Baldwin	28½	−½
Allegheny Power	38⅛	+⅜
Allied Signal	35⅝	+⅛
Aluminum Co of Am	62⅞	−⅛
Amax	24¼	−¼
Amdahl Corp	13¼	−⅛
Amerada Hess	47⅛	−⅜
Am Brands	64	+¼
Am Cyanamid	51⅝	+1⅛
Am Elect Power	29	−¼
Am Express	27	+½
Am Family	14	−⅛
Am Gen Corp	48¼	+⅞
Am Greetings	33¼	+¼
Am Home Prod	50 xc	+¼
Am Intl Group	87⅞	−⅞
Am National Insce.	34	+¼
Am Petrofina	76½	+½
Am Stores	60⅝	−⅛
Am T & T	40¼	+¼
Ameritech	60⅝	+⅛
Ames Dept Stores	3	−⅛
Ametek Inc	13	—
Amoco Corp	51½	+½
AMP	50⅞	+⅞
Analog Devices	7⅞	−⅛
Anheuser-Busch	37⅞	+⅜
Aon Corp	36	+⅛
Apple Computers	39¼	—
Archer Daniels	24⅛	+¼
Arkla	21⅞	—
Armco	8¼	−⅛
Armstrong World	35	—
Asarco	24⅞	−½
Ashland Oil	34⅜	+⅛
Atlantic Rich	112⅛	−⅜
Auto Data Pro	52½	+⅝
Avantek	3	—
Avery International	25⅞	+⅛
Avnet	27⅝	+⅛
Avon Prod	36½	+⅛
Balmco Corp	8¼	+⅜
Baker Hughes	27¼	+⅜
Ball Corp	32⅞	+⅛
Bally	11⅛	+⅛
Balt Gas & Elec.	28⅞	+⅛
Banc One	28⅜	+⅛
Bandag	82¼	+½
BankAmerica	28¼	+⅛

May 4	US$	+ or −
Copperweld	16½	—
Corestates Finl.	39⅞	+⅛
Corning Glass	47⅛	+⅞
Corroon & Black	30¼	−½
Crane	24⅛	—
Cray Research	42⅞	+⅛
Crown Cork	56¼	+⅛
Cummins Eng	47	−⅛
Curtiss-Wright	64	−⅛
Cyprus Minerals	24¼	+¼
DSC Comms	11¼	+⅜
Daisy Systems	⅛	—
Dana	32⅞	+⅛
Data Gen	8⅞	+⅛
Datapoint	3	+⅛
Dayton Hudson	68½	+¼
Deere	77⅛	+1⅛
Delmarva Pwr & L	18½	+⅛
Delta Air	73⅞	—
Deluxe Corp.	30⅞	+⅛
Detroit Edison	25¼	+⅛
Diebold	41½	+1
Digital Equip	88⅝	+2
Dillard Dept St	75½	+2¼
Disney (Walt)	112½	+⅜
Dominion Res	43½	+⅜
Donnelley (R.R)	42⅝	+1
Dover Corp	37⅞	+⅛
Dow Chemicals	61¼	+¼
Dow Jones	24½	−⅛
Dravo	13¼	−⅛
Dresser	30⅞	+⅜
Duke Power	53⅞	+½
Dun & Bradstreet	45¼	—
Du Pont	37⅝	—
Duquesne Light	21½	—
E G & G	38½	+⅞
E-Systems	26¼	+½
Eastern Gas & F	30⅞	+⅜
Eastman Kodak	37⅞	−⅛
Eaton	56	+1½
Echlin Inc.	13	+⅛
Emerson Elect	38⅝	−⅛
Engelhard Corp	18⅞	+⅛
Enron Corp	52	—
Enserch	23¼	−⅛
Enstar	2⅛	—
Entergy Corp	19⅛	+⅛
Ethyl	25¼	—
Exxon	46½	+⅛
FMC	33⅞	+⅛
FPL	30	−⅛
Fedders	16⅛	—
Federal Express	53½	−⅜
Federal Mogul	19⅜	+⅛
Fed Nat. Mort	34¼	+1
Fed Paper Brd	20¼	+⅛
Fieldcrest C'non	18½	−⅛
Firemans Fd Cp	31⅞	+⅜
First Bk.Systems	13¼	+⅛
First Chicago	29⅞	—
First Executive	2⅝	—
First Fid Bancorp	18¼	—

May 4	US$	+ or −
James River Va	23⅝	−⅛
Jeffn Pilot	38⅝	+⅛
Johnson Controls	27½	—
Johnson & Jns	58⅞	+⅞
K Mart	35⅞	+⅞
Kaneb Services	4¼	−⅛
Kellogg	63⅞	+⅛
Kennametal	32⅝	−⅛
Kerr-Mcgee Corp	48⅝	+⅛
KeyCorp	25¼	+¼
Kimberly-Clark	65⅝	+⅜
King World Prods	36⅝	+1⅛
Knight-Ridder	47½	+⅜
Kroger	12¼	+¼
LSI Logic	9½	—
Leggett & Platt	33¼	+⅛
Leucadia Natl	22½	+⅛
Lilly (Eli)	67⅝	+⅛
Limited Inc.	40⅝	−⅛
Lin Broadcasting	63¼	+⅞
Lincoln Nat Corp	52⅛	—
Litton Inds	72⅛	+⅜
Liz Claiborne	26	—
Lockheed	32⅞	−⅛
Loews Corp	107⅛	−⅛
Lone Star	13	−⅛
Lone Star Tech	4½	−⅛
Long Island Light	18⅜	+⅛
Longs Drug Strs	37⅞	+⅛
Loral Corp.	26⅞	+⅛
Lotus Dev. Corp	33	+⅛
Louisiana Land	43⅞	+½
Louisiana Pacific	41⅞	+⅛
Lowe's	35	−⅛
Lubrizol	36⅞	−⅛
M A Comm. Inc.	3⅞	—
MCA	56⅛	−⅛
MCI Comm.	37⅝	+⅞
Mack Trucks	5⅛	−⅛
Manor Care	13	−⅛
Manfc. Hanover	33⅛	+⅛
Manville	6⅛	—
Mapco	37⅞	—
Marion Merrell	25	+⅛
Marriott	22¼	—
Marsh MacLennan	68⅝	−⅛
Martin Marietta	42⅛	+1⅛
Masco Corp.	24½	—
Mass Multi Corp	24	—
Mattel	22⅝	+½
Maxus Energy	10⅝	—
May Dept. Strs	50⅞	+⅛
Maytag	16⅛	+⅛
McDermott	27½	+⅛
McDonalds	31⅝	+⅛
McDonnell Douglas	47½	−⅛
McGraw Hill	52⅝	−⅛
McKesson	33¼	+⅛
Mead	30½	+⅛
Medtronic	66½	−⅛
Mellon Bank	26	+⅞

INDICES

NEW YORK

DOW JONES	May 3	May 2	May 1	Apr 30	1990 HIGH	1990 LOW	Since compilation HIGH	Since compilation LOW
♦Industrials	2696.17	2689.64	2668.92	2656.76	2810.15 (2/1)	2543.24 (30/1)	2810.15 (2/1/90)	41.22 (2/7/32)
Home Bonds	88.61	88.48	88.55	88.62	93.04 (3/1)	88.48 (2/5)	—	—
Transport	1140.47	1138.69	1136.91	1129.98	1201.10 (2/1)	1031.83 (30/1)	1532.01 (5/9/89)	12.32 (8/7/32)
Utilities	206.11	204.79	204.10	203.09	236.23 (2/1)	203.09 (30/4)	236.23 (2/1/90)	10.50 (8/4/32)

♦Day's High 2716.22 (2697.30) Low 2682.88 (2659.01)

STANDARD AND POOR'S	May 3	May 2	May 1	Apr 30	1990 HIGH	1990 LOW	Since compilation HIGH	Since compilation LOW
Composite ‡	335.57	334.48	332.25	330.80	359.69 (2/1)	322.98 (30/1)	359.80 (9/10/89)	4.40 (1/6/32)
Industrials	391.12	389.81	386.94	385.44	411.20 (2/1)	371.92 (30/1)	411.20 (2/1/90)	3.62 (21/6/32)
Financial	27.15	27.14	26.85	26.72	31.87 (3/1)	26.59 (27/4)	35.24 (9/10/89)	8.64 (1/10/74)
NYSE Composite	183.97	183.34	182.22	181.49	198.00 (2/1)	178.43 (30/1)	199.34 (9/10/89)	4.46 (25/4/42)
Amex Mkt. Value	344.97	344.23	343.32	343.10	382.45 (5/1)	342.64 (24/4)	397.03 (10/10/89)	29.31 (9/12/72)
NASDAQ Composite	425.44	423.58	421.85	420.07	460.90 (3/1)	410.72 (30/1)	485.73 (9/10/89)	54.87 (31/10/72)

	Apr 27	Apr 20	Apr 13	year ago (approx.)
Dow Industrial Div. Yield	4.15	4.07	-	3.45
	May 2	Apr 25	Apr 18	year ago (approx.)
S & P Industrial div. yield	3.13	3.13	3.05	3.21
S & P Indl. P/E ratio	14.85	14.72	15.08	12.92

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day
AMER GEN	3,181,900	47¾	+ ⅛
TEXACO	2,874,600	59⅛	+ ⅛
AMES STORE	2,228,200	3⅛	+ ⅛
IBM	1,668,700	109⅛	+ ⅞
WAL-MART	1,605,500	49⅛	- 1½
SCHLUMB	1,527,300	52⅛	+ ⅞
GEN ELEC	1,492,400	64⅛	... .
PHILIPS NV	1,491,000	17⅛	- 2⅞
PHILIP MOR	1,456,400	42½	- ⅜
CITICORP	1,337,900	22⅛	- ⅛

TRADING ACTIVITY

† Volume Millions	May 3	May 2	May 1
New York	145.570	141.610	149.020
Amex	9.621	9.932	8.951
NASDAQ	160.852	143.262	124.135
Issues Traded	1,968	1,945	1,951
Rises	902	853	811
Falls	569	583	676
Unchanged	497	509	464
New Highs	29	16	10
New Lows	50	79	85

CANADA

TORONTO	May 3	May 2	May 1	Apr 30	1990 HIGH	1990 LOW
Metals & Minerals	2922.50	2907.70	2880.00	2907.50	3453.05 (4/1)	2850.80 (23/4)
Composite	3346.70	3348.40	3334.20	3341.00	4009.47 (3/1)	3334.20 (1/5)
MONTREAL Portfolio	1732.21	1728.09	1724.96	1730.06	2060.90 (3/1)	1720.25 (27/4)

Base values of all indices are 100 except NYSE All Common—50; Standard and Poor's—10; and Toronto Composite and Metals—1000. Toronto indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds. ‡ Industrial, plus Utilities, Financial and Transportation. (c) Closed. (u) Unavailable.

	May 4	May 3	May 2	May 1	1990 HIGH	1990 LOW
AUSTRALIA						
All Ordinaries (1/1/80)	1461.2	1467.7	1462.7	1440.6	1713.7 (2/1)	1434.5 (30/4)
All Mining (1/1/80)	725.6	730.9	726.4	715.3	868.8 (5/1)	715.3 (1/5)
AUSTRIA						
Credit Aktien (30/12/84)	606.98	595.08	585.33	(c)	783.29 (19/3)	526.59 (2/1)
BELGIUM						
Brussels SE (Cash Mkt) (1/1/80)	6096.99	6091.44	6082.67	(c)	6599.43 (12/1)	5568.16 (26/2)
DENMARK						
Copenhagen SE (3/1/83)	360.22	360.15	358.39	355.94	380.47 (28/3)	352.96 (25/4)
FINLAND						
Unitas General (1975)	576.2	575.5	573.3	(c)	677.3 (23/1)	572.7 (25/4)
FRANCE						
CAC General (31/12/82)	556.95	552.00	546.95	(c)	557.11 (23/4)	482.94 (26/2)
CAC 40 (31/12/87)	2102.64	2098.95	2066.03	(c)	2129.32 (20/4)	1800.32 (26/2)
GERMANY						
FAZ Aktien (31/12/58)	803.91	791.46	776.15	(c)	830.92 (3/4)	732.71 (24/1)
Commerzbank (1/12/53)	2333.5	2295.4	2251.0	(c)	2414.0 (3/4)	2151.5 (24/1)
DAX (30/12/87)	1912.89	1881.79	1843.41	(c)	1968.55 (30/3)	1756.41 (24/1)
HONG KONG						
Hang Seng Bank (31/7/64)	2946.97	2954.61	2957.76	2945.18	3067.67 (19/4)	2738.24 (1/2)
IRELAND						
ISEQ Overall (4/1/88)	1599.16	1587.80	1582.61	1583.66	1893.10 (22/1)	1582.61 (2/5)
ITALY						
Banca Com. Ital. (1972)	700.03	694.54	689.86	(c)	713.86 (17/4)	646.73 (26/2)
JAPAN						
Nikkei (16/5/49)	(c)	(c)	30173.64	29689.83	38712.88 (4/1)	28002.07 (2/4)
Tokyo SE (Topix) (4/1/68)	(c)	(c)	2247.81	2214.78	2867.70 (4/1)	2058.82 (5/4)
2nd Section (4/1/68)	(c)	(c)	3579.96	3547.14	4294.66 (9/2)	3313.92 (5/4)
MALAYSIA						
KLSE Composite (4/4/86)	531.33	520.13	518.53	(c)	622.28 (28/2)	518.53 (2/5)
NETHERLANDS						
CBS Tdl.Rtn Gen.(End 1983)	254.9	254.8	252.8	251.7	269.9 (3/1)	240.1 (26/2)
CBS All Shr (End 1983)	193.0	192.6	192.4	191.6	206.3 (3/1)	184.2 (26/2)
NORWAY						
Oslo SE (2/1/83)	792.79	793.51	790.06	(c)	845.40 (16/3)	701.67 (2/1)
PHILIPPINES						
Manila Comp (2/1/85)	953.47	952.17	963.08	(c)	1160.70 (21/3)	936.57 (30/4)
SINGAPORE						
SES All-Singapore (2/4/75)	408.37	402.97	401.61	(c)	443.34 (6/2)	401.34 (30/4)
SOUTH AFRICA						
JSE Gold (28/9/78)	1733.0	1702.0	1703.0	(c)	2298.0 (16/1)	1492.0 (25/4)
JSE Industrial (28/9/78)	2859.0	2840.0	2820.0	(c)	3211.0 (6/2)	2794.0 (25/4)
SOUTH KOREA**						
Korea Comp Ex (4/1/80)	782.33	750.82	(c)	718.45	928.82 (4/1)	688.66 (30/4)
SPAIN						
Madrid SE (30/12/85)	275.22	273.79	(c)	(c)	302.85 (4/1)	248.17 (2/4)
SWEDEN						
Affärsvärlden Gen. (1/2/37)	1160.7	1157.9	1155.7	(c)	1317.88 (12/1)	1127.20 (2/4)
SWITZERLAND						
Swiss Bank Ind. (31/12/58)	752.3	746.9	742.3	(c)	787.2 (11/1)	737.6 (27/3)
TAIWAN**						
Weighted Price (30/6/66)	8624.70	8502.28	8574.54	8734.93	12495.34 (10/2)	8502.28 (3/5)
THAILAND						
Bangkok SET (30/4/75)	862.97	856.45	851.25	(c)	928.67 (5/1)	760.39 (7/2)
WORLD						
M.S. Capital Intl. (1/1/70)	(u)	485.0	483.3	477.9	571.0 (4/1)	468.3 (2/4)

**Saturday Apr. 28: Taiwan Weighted Price: 9665.50 Korea Comp Ex. 720.37

♦ Subject to official recalculation.

Base values of all indices are 100 except: Brussels SE, ISEQ Overall and DAX—1,000, JSE Gold—255.7, JSE 26 Industrials—264.3 and Australia All Ordinary and Mining—500; (c) Closed. (u) Unavailable.

مكتبة منبر الأصل

WORLD STOCK MARKETS

AMERICA

Equities remain subdued despite small rise in jobs

Wall Street

US GOVERNMENT bond prices soared yesterday in a euphoric reaction to much better-than-expected April employment statistics, but the equity market gave a much more muted response by midsession, fearing that the figures could point to a slowing of profits growth, *writes Martin Dickson in New York.*

The employment statistics showed non-farm payroll employment growing by 64,000 in April, well below the consensus forecast of a 384,000 rise, suggesting that the economy is growing at a slower pace in the second quarter than in the first three months of the year.

These figures removed the market's fears, which had been mounting this week, of a tightening of monetary policy by the Federal Reserve and suggested that inflationary pressures might be abating.

Bonds rose sharply across the yield curve, with shorter-dated issues leading the way and, midway through the session, the benchmark 30-year Treasury bond was up 1⅛ at 96⅞ to yield 8.82.

However, equity prices remained subdued and mixed in moderate trading. Analysts noted that the statistical evidence of recent weeks on economic growth was very mixed and they feared that the trend *suggested latest employment* figures could work through into lower profits growth.

Stocks started modestly ahead, but as the negative interpretation of the employment data sunk in, prices began to drift lower. At 2 pm, the Dow Jones Industrial Average was unchanged at 2,696.17.

Advances outnumbered declines by 749 to 548 and volume was moderate, with only 90m shares changing hands by early afternoon.

Among featured stocks, Walmart Stores, the fast-growing retailer, saw its price recover $⅝ to $50¼ in the wake of Thursday's $1½ drop, which was set off by news that its April sales grew by only 7 per cent, comparing the same number of outlets year-on-year. The growth was well below its normal trend.

Dillard Department Stores, the Arkansas-based chain, leapt $1⅝ to $74¼ on the news that it was buying the J.B. Ivey stores chain, based in the Caro*linas and Florida,* from BAT Industries of the UK for $110m.

Kemper, the Chicago financial services group, dropped $¼ to $34¼ on the news that a former executive with one of the company's units had won a $38.2m award in an arbitration *over a contract dispute.* The company said that it would take a $19.5m charge.

Coca-Cola advanced $¼ to $78⅞ after the company won a contract as primary soft drinks supplier to the Hardee's restaurants chain. It was the company's second big contract win this week, following on from Burger King's decision to move its account from Pepsico to Coca-Cola.

Canada

HOPES THAT interest rates would fall helped Toronto rise by midsession in fairly quiet trade. The composite index added 8.8 to 3,355.5 on volume of 12.8m shares. Advances led declines by 221 to 169.

The news that Bloomingdales was no longer for sale prompted some investors to buy Campeau in the belief that Mr Robert Campeau might be regaining control, while other investors were thought to be trying to short sell the stock. Campeau rose 28 cents to C$1.88.

EUROPE

Metalworkers' settlement underpins Frankfurt rise

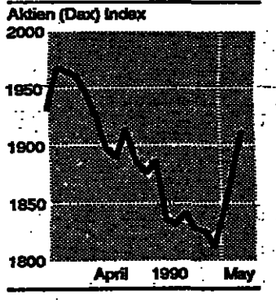
MOST BOURSES improved yesterday, but West Germany's move from fragile to emphatic recovery was the most outstanding trend of the day, and of the week, *writes Our Markets Staff.*

FRANKFURT continued its upward career, with rises of 12.45 to 803.91 in the FAZ index, and 31.10 to 1,912.89 in the DAX, leaving them respectively up 4.5 and 4.8 per cent on the week. Volume was reported to be high.

Domestic and foreign investors in both the equity and bond markets were cheered by the breakthrough in metalworkers' wage and working hours negotiations in the testing ground of North Baden/North Würtenberg; analysts were hoping that the employers' organisation, Gesamtmetall, would agree to take this as the basis of a national compromise at its meeting today.

W.Germany

Aktien (Dax) index



The sectors in question, engineering, steel and carmakers, all did well yesterday. In addition, banks were strong after a drop of 13 basis points in the average bond yield to 8.90 per cent, Deutsche Bank scoring a rise of DM21.50 to DM805.

There were other banks which did better. A & M, half-owner of Bank für Gemeinwirtshaft (BfG), rose DM45 to DM790, up DM90 over the past three days, as a takeover came for the troubled Co op retail group of which BfG is a big shareholder. Bayerische Vereinsbank put on DM13.50 to DM385 on good results for the first quarter of 1990.

PARIS ended slightly up, as profit-taking and selling of Thomson-CSF pulled share prices off their mid-morning highs. Thomson fell FFr13.50, or 9.3 per cent, to FFr131 on heavy volume of 782,600 shares after the analysts' meeting on Thursday afternoon, at which it warned that 1990 profits would fall because of reduced military expenditure.

Hachette gained FFr25 to a year's high of FFr480 in active trading; the publisher said this week that it expected a strong rise in 1990 net profits. The company is reducing its gearing substantially, by selling Paris office blocks and looking to divest other assets.

Euro Disneyland added another FFr1.40 to FFr103.20 with 648,545 shares traded, after Thursday's news that it would expand its Paris-based Magic Kingdom, due to open in 1992.

The CAC 40 index rose 3.69 to 2,102.64, after hitting a high of 2,116.36; the index picked up 1.8 per cent over the week. Turnover was estimated at FFr2.2bn to FFr2.3bn.

AMSTERDAM was underpinned by a strong domestic bond market and gained ground in moderate trading. The CBS tendency index rose 0.5 to 116.8, leaving the market slightly higher on the week. Philips, which fell sharply after its profits announcement on Thursday, lost another Fl 1.20 to Fl 32.40 in the day's most active trading. This, however, was a fairly steady performance after further falls in New York overnight, said one observer, adding that the stock was likely to drift for a while.

Food companies were strong after an article in a local newspaper suggested that Japanese food groups were looking to make acquisitions in Europe. CSM gained Fl 2.30 to end at Fl 82.30, Nutricia added Fl 4 to Fl 83 and Wessanen closed Fl 1.70 higher at Fl 69.80.

DAF continued its slow recovery, edging up 50 cents to Fl 30.80 after its annual meeting. The truck maker said that it was cancelling some evening shifts to bring stock levels down. VNU, the publisher, rose Fl 1.20 to Fl 93 on reports that the six-month strike at its London business magazine arm had ended.

MILAN's Comit index showed a rise of 5.49 on the day, and 1.8 per cent on a week enlivened by a reduced rate of inflation, good Stet results and encouraging unit trust figures, which showed a net inflow of L200bn into equity funds.

Stet lifted the telecommunications sector, itself included, with a jump of L222 to L5,901. In banking, Mediobanca rose L270 to L20,520, which usually indicates foreign interest in the market.

ZURICH took courage from a strong week, and acted on the view that insurance shares were oversold. Participation certificates (PCs) in the insurers gained most, with Zurich Insurance PCs up SFr130, or 7.7 per cent, at SFr1,825. The Crédit Suisse index rose 10.6 points to 596.7 on the day – and 2.7 per cent on the week, which also saw the insurance index up 6.8 per cent at 933.

STOCKHOLM was encouraged by gains on overseas markets and by a decline in domestic credit yields. The Affärsvärlden General index rose 2.8 to 1,160.7, barely changed from the previous Friday's level. Ericsson free Bs gained SKr7 to SKr957 on optimism about its quarterly results, to be announced on Tuesday, and on speculation about an order.

MADRID ended at its day's high, with the general index up 1.43 at 275.22, a rise of 1.1 per cent on the week. **VIENNA** rose again on moderate foreign buying; the bourse index added 9.42 to 647.09. **OSLO** slipped as North Sea oil prices weakened, bringing a series of gains to an end. The all-share index lost 1.72 to 604.64.

Chicago keeps nibbling away at New York

The little guy's market aims to be faster and cheaper than rivals, writes **Barbara Durr**

CHICAGO's Midwest Stock Exchange, the leading US regional market, has taken a progressively larger bite out of New York's trading business over the last 10 years, but it has not put on any airs. It is aware that its success is in the number of trades, rather than in the sheer volume of shares transacted; true to the American midwestern character, it considers itself the top "little guy's" market.

While big trades occur in Chicago, small retail orders have been the bulk of increased trading volume. "We want to be the McDonald's of stock exchanges," says Mr Roger Hendrick, vice president for corporate marketing at the MSE. Like the hamburger *chain, Midwest aims to be fas*ter, cheaper and more consistent than its competitors.

The strategy appears to be working. Last year, the MSE reached a record 4.2m trades and moved up to take 10.4 per cent of the total trade volume in the United States. The 1989 market share for New York (including the New York Stock Exchange and the American Stock Exchange) fell to 89.2 per cent. In 1980, the MSE had claimed only 3.6 per cent of the total trade volume and New York 85.4 per cent. Of the MSE's 2,289 listed issues, the bulk are also New York listings.

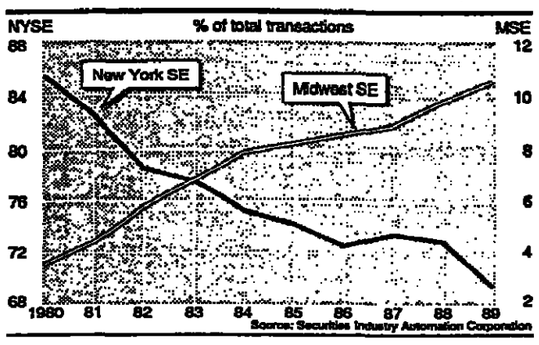
The key cause for the migration of trading to Chicago is cost. The general slump in the securities industry since the 1987 crash has made all brokerage companies more cost conscious. And comparisons for small orders make New York look unattractive. For example, a ticket of 500 shares at $30 a share would cost just 95 cents to trade in Midwest, but $3.03 *in New York.*

"Brokerage firms seeking lower exchange and 'specialist' fees are routing more small orders to the MSE," says Mr Hendrick.

Doing business is cheaper at the MSE because its 'specialists', who maintain a market in specific stocks, do not charge commissions. They must make their money in trading. The role of the specialist at Midwest is also different. They do not interact with retail orders, *as they would in New York.* Both limit and market retail orders are executed immediately on the MSE's state-of-the-art computer. The computer, hooked up to a national network, will give the best price available, be it from New York or Cincinnati.

This automated trade is not only faster for the completion and reporting of transactions than it would be in New York; in addition, it is cheaper and smoothes price variations. Its advanced automation system has been licensed to the Amsterdam Stock Exchange and the Securities Exchange of Thailand.

Apart from speed and absence of commissions, the MSE gains cost efficiency by gathering under one roof the Midwest Clearing Corporation and the Midwest Securities Trust Company, which are the country's second largest clearing and depository companies for equities, corporate debt and municipal bonds. The MSE also has depository links with the London Stock Exchange and the Paris Sicovam Depository.



Source: Securities Industry Automation Corporation

The MSE is the largest of five regional stock exchanges in the US; the others are Boston, Philadelphia, Cincinnati and the Pacific Stock Exchange in California. Regional competition for trades is seen as healthy for trading companies and investors, who otherwise would be dealing with a monopoly market in New York. "We are an institution that keeps the big boy on his toes," says Mr Joe Dempsey of Dempsey & Co, MSE specialists.

Another large slice of Midwest's business comes from cross trades, when a broker can match both buyers and sellers in transactions. Clean cross trades – through a single broker – are accomplished more easily in Midwest, according to Mr Jack Stone, chief of trading at Rodman & Renshaw brokerage in Chicago. This is true for several reasons.

New York can sometimes become clogged with orders, and buyers and sellers who prefer not to wait for those ahead of them in the queue can agree to take their trade to the MSE, where there are fewer, if any, before them.

In addition, leading brokerage houses do not keep their own floor brokers at the MSE; this makes for greater concentration of information among the independent floor brokers, who often represent several of the large brokerages.

With more knowledge about who is doing what, they can put cross trades together more easily. And, unlike New York, where brokers compete more heavily and tend to try to block crosses, the more relaxed brokers at the MSE work together.

This difference in personalities aids a "cater to the customer" philosophy at the MSE. If needed, brokers will cancel trades for customers, something New Yorkers are unlikely to do. "We're not the big boys on the block so we're more willing to do things that are helpful to the customer," says Mr Hendrick.

There are, however, some drawbacks and criticisms of the MSE. Specialists in New York have an average of 10 times the capitalisation of their MSE counterparts. This means, says one New York broker, that MSE specialists "are not in there making the market" and it is harder for them to handle larger orders.

New York – the primary market where big blocks of shares tend to be traded – still retains the bulk of US share volume. It accounted for 84.1 per cent of total share volume last year, while the MSE accounted for 5.6 per cent. Reflecting New York's importance and prestige, a seat there costs 10 times as much as it does on the MSE.

ASIA PACIFIC

Seoul rallies again as hopes of stability grow

SOUTH KOREA's stock market continued its strong recovery yesterday, with the composite index rising by 31.51 points to 782.33 and closing an extremely volatile week 4.5 per cent higher. It expects that a market stabilisation fund will be launched next week and that the industrial relations climate will improve, *writes John Ridding in Seoul.*

In the last three trading days, the market has recouped more than one-third of the 30 per cent fall sustained since its peak in April last year.

All but three of the 13 subsidiaries of the Hyundai Group are working normally again after strikes which followed the storming of the Hyundai shipyard by riot police at the end of last month. A company official said that he expected the remaining disputes to be resolved next week.

Tokyo was shut yesterday for the last of its Golden Week holidays

Unionists at Hyundai Motor Company, South Korea's largest automobile manufacturer, which struck in protest at the police action against the Hyundai Shipyard, yesterday voted to return to work on Monday.

Investor sentiment was also improved by the Government's apparent commitment to crack down on the real estate speculation which has diverted funds from the stock market.

Analysts said that, although fundamental economic concerns such as inflation and weak exports remained unchanged, investor sentiment had improved. They said further recovery in the market *was expected next week in the* run-up to the official convention of the Democratic Liberal Party, the new ruling party formed in January through the merger of the former ruling party and two of the three opposition parties.

TAIWAN staged a technical rebound after five consecutive losses, the weighted index rising 122.42 to 8,624.70 on bargain-hunting, but closing 11.2 per cent lower on the week.

Concern remained about the political situation, after protests as the country's President Lee Teng-hui offered the premiership to a four-star general, *Defence Minister Hau Pei-tsun* on Wednesday. There were rumours that investors associated with the ruling Nationalist Party were buying to support the market.

AUSTRALIA eased in quiet trading after three days of gains, as interest rate worries resurfaced. The All Ordinaries index lost 6.7 to 1,461.2, ending slightly higher over the week.

Barrack Mines fell another 25 cents to 90 cents after Thursday's news by Mr Dennis Morgan, the founder, that he was placing his 51 per cent stake in the mining house on the market. The share price *lost 30 cents on Thursday.*

Elders IXL continued to gain ground in the day's most active trading, adding 2 cents to A$1.87. Elders accounted for 4.66m of the total volume of 60.66m shares, valued at A$113.5m, compared with Thursday's 85m and A$202m.

SINGAPORE rose on demand for Malaysian and property stocks, with the Straits Times Industrial index gaining 13.99 to 1,479.88, recording a small gain over the week.

Volume picked up to 53m shares from 43m on Thursday, with foreign institutions said *to be taking an interest again.*

Singapore Land, the target of a takeover offer from UIC, was the busiest stock, ending unchanged at S$14.80.

KUALA LUMPUR advanced, with bargain-hunters lifting the composite index 11.20 to 531.33. **THAILAND** also rose, with interest focusing on financial and small speculative issues. The SET index gained 6.52 to 862.97 in active trading.

HONG KONG slipped in slightly better turnover than the previous day. The Hang Seng index fell 7.64 to 2,946.97, a decline on the week of 1.3 per cent.

SOUTH AFRICA

JOHANNESBURG edged up as the three days of meetings between the Government and the ANC neared an end. A weak financial rand and better gold price also helped shares.

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS	THURSDAY MAY 3 1990						WEDNESDAY MAY 2 1990			DOLLAR INDEX		
Figures in parentheses show number of stocks per grouping	US Dollar Index	Day's Change %	Pound Sterling Index	Local Currency Index	Day's change % local currency	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Local Currency Index	1990 High	1990 Low	Year ago (approx)
Australia (81)	129.81	+0.7	117.13	114.42	+0.4	6.06	128.94	116.31	114.01	158.31	125.85	138.06
Austria (19)	249.68	+1.2	225.48	218.23	+1.0	1.22	246.93	222.75	216.02	285.63	193.16	122.60
Belgium (61)	147.38	+0.3	132.99	126.12	+0.2	4.62	146.92	132.64	125.90	160.02	132.11	133.00
Canada (120)	131.10	+0.2	118.30	110.79	+0.2	3.80	130.81	118.01	110.59	153.61	130.37	135.80
Denmark (34)	*243.72*	*+0.6*	*219.93*	*211.82*	*+0.4*	*1.57*	*242.37*	*218.64*	*210.97*	260.82	236.69	160.06
Finland (26)	131.77	+0.3	118.90	109.83	+0.2	2.49	131.32	118.47	109.57	152.29	129.99	152.92
France (125)	165.33	+1.6	149.19	146.27	+1.6	2.79	162.74	146.80	144.04	166.43	141.69	118.87
West Germany (93)	131.71	+2.0	118.85	115.17	+2.0	1.92	129.14	116.49	112.92	137.71	122.06	85.61
Hong Kong (48)	122.25	−0.2	110.31	122.28	−0.2	5.09	122.53	110.53	122.54	128.90	112.24	136.12
Ireland (17)	173.48	+0.4	156.54	153.16	+0.4	2.81	172.72	155.81	152.63	196.57	172.72	147.75
Italy (96)	100.26	+0.7	90.47	92.28	+0.7	2.49	99.58	89.83	91.66	103.73	91.85	81.11
Japan (454)	138.40	+0.1	124.88	138.31	+0.0	0.60	138.22	124.69	138.31	197.28	124.40	189.96
Malaysia (35)	204.81	+0.3	184.81	213.52	+0.1	2.53	204.15	184.17	213.27	246.32	204.15	181.28
Mexico (13)	420.74	+3.5	379.66	1293.56	+3.4	0.40	406.50	366.70	1251.11	420.74	324.53	182.46
Netherland (43)	136.98	+0.8	123.61	118.23	+0.6	4.77	136.17	122.84	117.56	145.66	130.43	118.96
New Zealand (17)	61.18	+1.6	55.21	56.69	+1.2	7.73	60.25	54.35	56.03	75.36	59.57	72.77
Norway (23)	227.14	+1.3	204.96	200.93	+1.1	1.55	224.31	202.35	198.74	245.90	202.34	186.26
Singapore (25)	181.86	−0.1	164.10	157.26	+0.1	1.92	181.98	164.15	157.14	199.36	179.70	158.19
South Africa (60)	177.52	+0.1	160.19	158.37	+0.7	3.73	177.29	159.94	157.21	251.39	173.80	137.84
Spain (42)	153.75	+1.1	138.74	122.59	+0.4	4.33	152.05	137.17	122.06	165.19	132.84	153.25
Sweden (35)	186.87	+0.5	168.63	168.68	+0.4	2.30	185.94	167.74	167.98	206.95	173.89	157.82
Switzerland (65)	91.64	+1.3	82.69	82.63	+1.3	2.51	90.43	81.57	81.57	99.12	88.75	74.29
United Kingdom (306)	142.09	−0.1	128.21	128.21	−0.1	5.16	142.24	128.32	128.32	164.31	139.87	147.96
USA (537)	135.66	+0.3	122.41	135.66	+0.3	3.55	135.22	121.98	135.22	145.40	130.61	125.35
Europe (985)	138.37	+0.8	124.86	122.14	+0.6	3.66	137.29	123.85	121.23	146.68	135.57	119.75
Nordic (118)	187.85	+0.6	169.51	159.97	+0.6	1.97	186.71	168.43	159.19	201.99	186.01	154.73
Pacific Basin (660)	137.39	+0.1	123.98	136.58	+0.0	0.93	137.20	123.76	136.56	192.75	124.63	185.57
Euro – Pacific (1645)	138.15	+0.4	124.66	131.27	+0.3	2.04	137.59	124.12	130.86	174.16	130.35	159.25
North America (657)	135.29	+0.3	122.08	134.01	+0.3	3.55	134.87	121.66	133.60	145.78	131.02	125.88
Europe Ex. UK (679)	134.05	+1.3	120.97	117.72	+1.2	2.79	132.31	119.35	116.27	138.21	124.81	102.22
Pacific Ex. Japan (206)	124.73	+0.4	112.56	113.67	+0.2	5.33	124.29	112.12	113.47	139.32	122.53	132.80
World Ex. US (1838)	138.46	+0.4	124.94	131.16	+0.3	2.11	137.90	124.40	130.75	173.77	131.30	158.23
World Ex. UK (2069)	135.86	+0.4	122.59	133.01	+0.4	2.34	135.29	122.04	132.54	162.00	130.80	145.18
World Ex. So. Af. (2315)	136.15	+0.4	122.86	132.33	+0.3	2.59	135.64	122.36	131.91	161.84	131.95	145.44
World Ex. Japan (1921)	136.73	+0.5	123.38	129.71	+0.5	3.66	136.04	122.72	129.08	145.52	134.62	124.07
The World Index (2375)	136.40	+0.4	123.08	132.51	+0.3	2.60	135.89	122.59	132.09	162.05	132.25	145.39

Japanese market closed May 4. Amendments have been made to the dividend yields for Denmark and the related regional indices from 25/4 to date. Corrected figures are available from FT Prices. Tel.(London) 873 4400.

LONDON SHARE SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
99⅝	96⅞	Treas. 3pc 1990	99⅜xd	.....	3.02	–
99⅞	97¼	Treas 8¼pc 1987-90‡‡	99⅝	+⅛	8.31	14.29
98⅞	97⅝	Treas. 8pc Cv 1990 ‡‡	98⅞	+⅛	8.10	14.27
97⅞	96⅞	Treas. 10pcCv 1990	97⅞xd	+⅛	10.22	14.87
95½	93½	Exch 2½pc 1990	95½xd	+⅛	2.62	11.17
98⅞	97¾	Treas 11¾pc 1991	98⅛	+¼	11.98	14.69
94	92¼	Funding 5¾pc '87-91‡‡	94	+⅛	6.12	12.78
92½	89½	Treas. 3pc 1991	92½xd	+⅛	3.26	11.45
96⅜	94⅞	Treas 10pc Cv '91 ‡‡	95⅝	+⅛	10.46	14.07
97⅜	94⅞	Exch. 11pc 1991	95⅝	+¼	11.50	14.22
92⅞	90⅜	Treas. 8pc 1991	91½xd	+⅛	8.76	14.09
101⅜	97⅞	Treas 12¾pc 1992‡‡	97⅞	+⅛	13.02	13.97
96	92¼	Treas 10pc 1992	93½	+⅛	10.70	14.06
91⅞	89½	Treas. 8pc 1992 ‡‡	90	+⅛	8.89	13.89
97⅜	93⅜	Treas 10½pc Cv 1992‡‡	94⅜	+⅛	11.17	13.81
84⅞	82⅞	Treas. 3pc 1992	83½	+¼	3.59	12.03
100⅞	95⅞	Exch. 12¼pc '92	96½	+⅛	12.68	13.81
104	98¼	Exch 13½pc 1992	99⅛	+¼	13.61	13.67
91½	86¼	Treas 8¼pc 1993	87¼	+⅛	9.40	13.46
96¾	90¼	*Treas 10pc 1993‡‡*	91½	+⅛	*10.91*	*13.35*
103⅜	96⅞	Treas 12½pc 1993‡‡	97⅛	+⅛	12.87	13.41
85⅞	82	Funding 6pc 1993‡‡	82⅞	+¼	7.28	12.47
107⅞	99¾	Treas 13¾pc 1993‡‡	100¾xd	+⅛	13.66	13.27
91	84½	Treas. 8½pc 1994	85¼	+½	9.91	13.28
111⅛	102⅞	Treas 14½pc 1994‡‡	103½	+⅞	14.01	13.07
107⅞	99¼	Exch 13½pc 1994	100⅞	+⅛	13.45	13.19
96⅞	88⅞	Treas. 10pc Ln. 1994‡‡	90⅞xd	+⅛	11.09	13.01
104½	96⅞	Exch. 12¼pc 1994	97⅞	+½	12.84	13.12
92½	85	Treas 9pc 1994‡‡	86⅝xd	+⅛	10.46	12.96

Five to Fifteen Years

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
103⅞	94⅞	Treas 12pc 1995	95¾	+⅛	12.53	12.99
76½	73	Exch 3pc Gas 90-95	74	+⅛	4.05	9.66
96⅞	88⅛	Exch. 10¼pc 1995	89⅛	+⅛	11.49	12.94
108	97⅞	Treas 12¾pc 1995‡‡	98⅞xd	+⅛	12.90	12.83
112⅞	*101⅞*	*Treas. 14pc '96*	102⅞	+⅛	*13.63*	*13.07*
92⅞	82⅞	Treas. 9pc 1992-96‡‡	83⅞	+⅛	10.74	12.82
119⅞	107⅞	Treas 15¼pc 1996‡‡	108½	+⅛	14.06	12.93
110⅞	99¼	Exch 13¼pc 1996‡‡	100½xd	+⅛	13.20	12.93
96⅞	85½	Conversion 10pc 1996	86⅞xd	+⅛	11.50	12.86
112⅞	98⅞	Treas 13¼pc 1997‡‡	100⅞	+⅛	13.19	12.93
99⅞	87⅞	Exch 10½pc 1997	88⅞	+⅛	11.81	12.80
91⅞	79⅞	Treas 8¾pc 1997‡‡	81¾	+1⅛	10.70	12.60
121⅞	106½	Exch 15pc 1997	109	+1⅛	13.76	13.00
95⅞	83½	Exch. 9¾pc 1998	85⅞	+1⅛	11.37	12.66
81½	70⅞	Treas 6¾pc 1995-98‡‡	72⅞	+1⅛	9.33	12.25
126¼	110¼	Treas. 15½pc '98‡‡	112¾	+1⅛	13.75	12.84
107⅞	93¼	Exch. 12pc 1998	95⅞xd	+1⅛	12.52	12.74
107½	95⅛	Do. 12pc 1998 'B'	95¼xd	.....	12.60	12.95
95½	82⅞	Treas 9½pc 1999‡‡	84½	+1⅛	11.24	12.40
109⅞	94⅞	Exch. 12¼pc 1999	97	+1⅛	12.63	12.71
99⅞	85⅞	Treas. 10½pc 1999	88⅞xd	+1⅛	11.86	12.61
98⅞	84⅞	Conversion 10¼pc 1999	86⅞xd	+1⅛	11.79	12.57
89⅞	75⅞	Treas. 8½pc Ln 2000‡‡	78⅞	+1⅛	10.79	12.25
92⅞	78⅞	Conversion 9pc 2000‡‡	81⅞	+1⅛	11.06	12.27
114⅞	98⅞	Treas. 13pc 2000	101½	+1⅛	12.82	12.69
97⅞	82¼	Treas 10pc 2001	85¼	+1⅛	11.66	12.39
117	102¼	Treas. 14pc '98-01	104⅞xd	+1⅛	13.34	12.97
96½	92½	Exch. 12pc 1999-02	93½	.....	12.85	12.76
98¼	85½	Conversion 10pc 2002	87⅛xd	.....	–	–
96⅞	81¼	Treas 9¾pc 2002	84¼	+1⅛	11.59	12.19
86¼	81¼	Treas. 9¾pc 2002 'B'	84¼	+1⅛	11.35	11.96
91⅞	76⅞	Exch. 9pc 2002	79½xd	+1⅛	11.30	12.12
119⅞	102⅞	Treas. 13¾pc 2000-03	105⅛	+1⅛	13.08	12.75
99⅞	82⅞	Treas 10pc 2003	86⅞	+1⅛	11.59	12.00
106½	90⅞	Treas. 11½pc 2001-04	93⅞	+1¼	12.30	12.41
99¾	83	Treas. 10pc 2004	86⅛xd	+1¼	11.62	11.95
56¼	45⅞	Funding 3½pc '99-04	48⅞	+1¼	7.23	10.51
96½	79⅞	Conversion 9½pc 2004	82⅝	+1¼	11.46	11.87

Over Fifteen Years

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
96⅞	79⅞	Conversion 9½pc 2005	83⅛	+1⅞	11.43	11.83
104½	86⅞	Exch. 10½pc 2005	89⅞	+1⅞	11.69	11.81
117½	98⅞	Treas. 12½pc 2003-05	102⅛xd	+1⅞	12.25	12.04
84⅞	69⅞	Treas. 8pc 2002-06‡‡	72⅞	+1½	10.99	11.69
111⅞	93⅞	Treas. 11¾pc 2003-07	97⅛	+1⅞	12.07	12.05
89⅞	73⅞	Treas 8½pc 2007 ‡‡	77⅛	+1⅞	11.01	11.55
125⅞	105⅞	Treas. 13½pc '04-08	109¼	+1⅞	12.36	11.99
94½	77¼	Treas. 9pc 2008 ‡‡	80⅞	+1⅞	11.12	11.46
85⅞	69⅞	Treas 8pc 2009	73⅞	+1⅞	10.89	11.40
94¼	77¼	Conv 9pc Ln 2011 ‡‡	80⅞	+1⅞	11.14	11.37
63⅞	50⅞	Treas. 5½pc 2008-12‡‡	53¼	+1¼	10.27	11.14
83	67½	Treas. 7¾pc 2012-15‡‡	70⅛	+1⅛	11.04	11.27
122¼	100	Exch. 12pc '13-'17	104⅛	+2⅛	11.52	11.39

Undated

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
41⅜	33⅞	Consols 4pc	34⅞	+⅛	11.45	–
36⅞	29⅞	War Loan 3½pc‡‡	31⅛xd	+⅛	11.27	–
61⅞	55¼	Conv. 3½pc '61 Aft	57	+⅛	6.14	–
32¼	27¼	Treas. 3pc '66 Aft	28⅛	+⅛	10.60	–
25¼	20⅞	Consols 2½pc	22¼	+⅛	11.30	–

BRITISH FUNDS—Contd

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
25½	20¼	Treas. 2½pc	21⅞	+⅛	11.40	–

Index-Linked

1990 High	1990 Low	Stock (b)	Price £	+ or −	(1)	(2)
113¾	110¼	Tr. 2pc '92‡‡(97.8)	113¾	+⅛	4.13	5.55
106⅛	103¼	Do. 2 '94 (102.9)	106⅛xd	+⅛	3.70	4.35
156¼	150½	Do. 2pc '96(67.9)	155	+⅛	3.55	3.97
131½	123½	Do 2½pc '01(78.3)	127½	+1⅛	3.97	4.24
128¾	119¾	Do. 2½pc '03(78.8)	123⅞xd	+1⅛	4.03	4.26
131⅞	122	Do. 2pc '06(69.5)	125⅞	+1⅛	4.05	4.24
123⅞	113⅞	Do. 2½pc '09(78.8)	117⅛xd	+1⅛	4.01	4.18
128⅞	117¼	Do. 2½pc '11(74.6)	121½	+1⅛	3.99	4.15
107¼	97½	Do. 2½pc '13(89.2)	101½	+1¼	3.92	4.07
115¾	105⅛	Do. 2½pc '16(81.6)	108⅞	+1⅛	3.89	4.04
119½	102¼	Do. 2½pc '20(83.0)	106⅛	+1⅛	3.84	3.97
95¼	86⅛	Do. 2½pc '24‡‡(97.7)	89⅞	+1⅛	3.76	3.87

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%. (b) Figures in parentheses show RPI base for indexing, (ie 8 months prior to issue) and have been adjusted to reflect rebasing of RPI to 100 in January 1987. Conversion factor 3.945. RPI for August 1989: 115.8 and for March 1990: 121.4.

INT. BANK AND O'SEAS

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
100⅝	84⅛	African Dv Bk 11¼Ln 2010	87	+1⅛	12.78	12.96
96⅞	80⅞	Asian Dev Bk 10¼pcLn2009	83¼	+1⅛	12.31	12.57
101⅞	85¼	Euro Inv Bk 11pc Ln 2002	87⅞	+1½	12.51	13.05
110⅞	94⅛	Int-Am Dev Bk 12½pc 2003	96½	+1	12.95	13.06
91¼	76⅛	Do. 9¾pcLn 2015	78⅝	+1⅛	12.40	12.56
90½	79½	M'ysia 10¼pcLn 2009	80	+½	13.44	13.73
110	109	Utd. Mexican States 16½pc 2008	109	.....	15.14	14.90

CORPORATION LOANS

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
104	86½	Birmingham 11½pc 2012	88½	+1	12.99	13.10
88½	84½	GLC 6¾pc 1990-92	88½	+1	7.63	13.50
107⅞	95	Leeds 13½pc 2006	99½xd	+1	13.57	13.58
93	28	Liverpool 3½pc Irred	28xd	.....	12.50	–
97¼	94½	LCC 6¾pc '88-90	97½	.....	6.92	13.00
30	24	Do. 3pc '20 Aft	25xd	+1	12.00	–
94	85½	Manchester 11½pc 2007	86½xd	.....	13.29	13.50

COMMONWEALTH & AFRICAN LOANS

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
206	206	§Rhod 2½pc Non-Asstd	206	.....	–	–
84½	84½	Do. 4½pc 87-92 Asstd	84½	.....	5.33	9.33

LOANS

Building Societies

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
109	99½	N'wide Anglia 3⅞pc Ln 2021	101	+1	4.74	5.02
109	99½	Do. 4.25pcIL '24	101xd	+1	4.69	4.78

Public Board and Ind.

1990 High	1990 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
47	41	Met. Wtr. 3pc 'B'	45xd	.....	6.67	10.99

FOREIGN BONDS & RAILS

1990 High	1990 Low	Stock	Price £	+ or −	Div % Gross	Red. Yield
50	50	Greek 7pc Ass	50	.....	3.50	17.00
50	50	Do. 6pc 28 Stb. Ass	50	.....	3	16.00
50	50	Do 4pc Mixed Ass	50	.....	2	14.00
80	80	Hung. '24 Ass	80	.....	2.75	13.57
128¾	108⅛	Hydro Quebec 15pc 2011	110⅞	+1⅛	15.00	13.45

AMERICANS

1990 High	1990 Low	Stock	Price £	+ or −	Div Gross	C'vr	Y'ld Gr's
43⅛	37⅞	Abbott Laboratories‖	41¼xd	−¼	$1.40	–	2.0
610p	445p	♦Allegheny & W 1c	510p	.....	30c	–	3.5
986p	793p	Amdahl 5c	812xd	−3	h10c	–	0.7
34¼	28½	Amer. Cyanamid $5	30½	+½	$1.35	–	2.7
21⅞	15⅛	Amer. Express 60c	16xd	−⅛	92c	–	3.5
28⅞	22⅞	American T. & T. $1	24⅛xd	−⅛	$1.20	–	3.0
42¼	32¼	Ameritech $1	36½	.....	h$2.92	–	4.8
586p	548p	♦Aslamerica Equity‖	554p	.....	–	–	–
18	14⅞	BankAmerica $1⅝	17¼xd	−½	$1.00	–	3.5
26⅞	21⅛	Bankers N.Y. $1	23xd	+⅛	$2.12	–	5.5
35¼	25¼	Bell Atlantic $1	29	−⅛	$4.40	–	9.1
36¼	30	BellSouth Corp	32½	−⅛	$2.52	–	4.7
13½	9⅞	♦Bethlehem Steel $8	10¾xd	+⅛	40c	–	2.2
12½	906p	♦Bio-Rad Labs. A	11½	.....	–	–	–
19½	13⅛	Bowater Inc	14⅞	+⅛	$1.20	–	5.0
9⅞	7⅛	Brunswick 75c	8⅞	−⅛	44c	–	3.0
45⅞	35⅞	CPC Intnl. 25c	42⅞xd	−⅛	$1.80	–	2.6
990p	714p	California Engy	984p	.....	–	–	–
35⅞	27⅛	Campbell Soup 15c	30⅛xd	−⅛	$1.00	–	2.0

AMERICANS—Contd

1990 High	1990 Low	Stock	Price £	+ or −	Div Gross	C'vr	Y'ld Gr's
21¾	14⅞	Chase Manhattan $12½	14⅞xd	−⅛	$2.36	–	9.6
19¼	14	Chem. Banking Corp	14⅛	+⅛	$2.72	–	11.3
12½	9¼	Chrysler $6¼	9⅞xd	+⅛	$1.20	–	7.4
18¼	12⅛	Citicorp $1	13⅞xd	−⅛	$1.78	–	8.0
39⅞	31½	Colgate-Palmolive $1	34⅞	+⅛	s$1.48	–	2.6
12½	8¼	Cont'l Bank Corp $4	843p	−2	$1.00	–	7.1
268p	128p	♦Corporate Data Scnce	205p	.....	–	–	–
21¾	18½	Dana Corp. $1	19⅛xd	−⅛	$1.60	–	4.9
768p	510p	Data General	531p	−2	–	–	–
29½	25¼	Dun & Bradstreet $1	27½	.....	$2.00	–	4.4
35½	29½	Eaton Corpn. 50c	33½	.....	$2.00	–	3.6
10⅞	7½	Echlin Inc	7⅞xd	−⅛	70c	–	5.4
22¼	18¼	FPL Group 1c	18½xd	−⅛	$2.28	–	7.5
27¼	21⅞	Fluor Corp 62½pc	26⅛	+⅛	24c	–	0.5
30⅞	25	Ford Motor $1	27⅝xd	−⅛	$3.00	–	6.5
41½	36¼	Gen. Elect. 63c	39¼	+⅛	$1.88	–	2.9
427p	304p	♦General Host Corp $1	411p	.....	30c	–	4.4
34½	25⅞	Gillette $1	31¼	−¼	96c	–	1.8
315p	169p	♦Gt American Bank Bk $1	183p	.....	20c	–	6.6
20⅛	17¼	Greyhound $1½	18⅛	−⅛	$1.32	–	4.3
12½	10½	Hasbro Inc 50c	10⅝	.....	16c	–	0.9
55⅞	46½	Honeywell $1½	54⅝xd	+⅛	$2.75	–	3.0
21⅞	19⅛	Houston Inds.‖	19⅛	.....	$2.96	–	9.0
67⅞	57⅞	IBM Corpn $1¼	65⅜xd	−1⅛	$4.84	–	4.5
50p	25p	Image Storage/R Sys 1c	30p	+5	–	–	–
35½	27⅞	Ingersoll-Rand $2	33⅛xd	+⅛	$1.20	–	2.2
25½	19⅞	Lockheed Crpn. $1	20xd	+⅛	$1.80	–	5.4
11½	7¾	Lone Star Inds $1	7⅛xd	.....	$1.90	–	15.4
28	24¼	Louisiana Land 15c	26½	+⅛	$1.00	–	2.3
21⅞	15⅛	Lowe's 50c	21½	.....	52c	–	1.5
22¼	16¼	Manuf. Hanover $1	19⅞	+⅛	$3.28	–	9.9
16¼	12¼	Merrill Lynch $1	12⅞	+⅛	$1.00	–	4.6
26⅞	21⅞	Molex Inc	23½	+⅛	3.2c	–	0.1
27¼	20	Morgan (JP) $2½	20⅛xd	+⅛	$1.82	–	5.4
27	21¼	Morris (Philip)	25⅞xd	−⅛	$1.13	–	2.6
56⅞	44½	NYNEX $1	49¼	−⅛	$4.36	–	5.3
19p	5p	N'wide Legal Serv.‖	6p	.....	–	–	–
21½	18¼	PHH Corp. ‖	20½	.....	$1.16	–	3.5
195p	155p	♦Pacific Agr.‖	164p	.....	–	–	–
14⅞	12¼	Pacificorp $3¼	12⅞	+⅛	h$1.38	–	6.2
31⅞	24½	Pacific Telesis 10c	26½	+⅛	$1.88	–	4.3
22¼	18⅞	Pall Corp. 25c	19⅞	+⅛	48c	–	1.5
55⅞	45⅞	Pennzoil 83 1/3c	45⅞xd	−⅛	$3.00	–	4.0
35⅞	27½	Quaker Oats $5	29⅞	.....	$1.40	–	2.8
32½	25⅞	Rep NY Corpn $5	25⅞xd	−⅛	$1.28	–	3.0
15¼	12⅛	Rockwell Intl. $1	15⅛xd	−⅛	78c	–	3.1
25⅞	21½	Sears, Roebuck 75c	21⅞	+⅛	$2.00	–	5.5
40¼	30¼	Southwestern Bell $1	32⅞	−⅛	$2.60	–	4.8
25¼	21⅛	Sun Co. Inc. $1	22½xd	+⅛	$1.80	–	4.8
31⅞	27¼	TRW Inc. 62½c	29½	+⅛	$1.72	–	3.5
42⅞	35⅛	Tenneco $5	40⅞	+⅛	$3.04	–	4.5
37¼	33⅞	Texaco $6.25	35⅞xd	−⅛	$3.00	–	5.0
23⅞	18½	Texas Instr. $1	21⅛xd	+⅛	80c	–	2.3
81½	53¼	Time Warner $1	57¼	+⅛	$1.00	–	1.1
18¼	13⅞	TRINOVA Corp	16½	+⅛	s68c	–	2.5
22½	19¼	USX $1	20⅛xd	−⅛	$1.40	–	4.1
325p	270p	♦Unilab	275p	.....	–	–	–
36½	29¼	Utd. Technologies	34⅞xd	+⅛	$1.60	–	2.8
149p	121p	♦Utilitech Inc	133p	.....	–	–	–
25½	19⅝	US West‖	21½	.....	$3.76	–	10.3
22½	17⅞	Waste Management $1	22½	.....	32c	–	0.9
20¼	16½	Whirlpool $1	16½	−½	$1.10	–	4.0
41¼	33⅞	♦Woolworth $3½	36⅞	+⅛	$1.88	–	3.1

CANADIANS

1990 High	1990 Low	Stock	Price £	+ or −	Div Gross	C'vr	Y'ld Gr's
200p	150p	♦ABM Gold Corp ‖	163p	.....	–	–	–
25p	19½p	♦Abbot Energy Corp	21p	.....	–	–	–
12½	950p	♦Amer. Barrick Res	992p	.....	–	–	–
25p	10p	♦Armeno	11½p	.....	–	–	–
17½	13	Bk. Montreal ‖	13	.....	$2.12	–	8.6
883p	646p	Bk. Nova Scot.‖	673xd	+12	92c	–	7.2
819p	691p	♦BC Gas $1	737p	.....	60c	–	4.3
24½	19⅞	BCE ‖	19⅞	−⅛	$2.44	–	6.5
14½	10⅞	♦Brascan‖	10⅞	−⅛	88c	–	4.3
148p	90p	♦Breakwater Res	99p	.....	10c	–	5.3
17½	12¼	Can.Imp Bank‖	12⅞	+⅛	$1.24	–	5.1
14	10⅞	Can. Pacific ‖	10⅞	−⅛	92c	–	4.4
37	30	Do. 4pc Deb £100	30	.....	4%	–	13.0
531p	368p	♦Central Cap 'A' ‖	417p	.....	$1.10	–	13.9
428p	241p	♦Cons TVX Min	261p	.....	–	–	13.9
579p	382p	♦Corona Corp	382p	.....	–	–	–
510p	365p	♦Derlan Inds. ‖	378p	.....	11.75c	–	1.6
12¼	737p	♦Echo Bay Mines	737p	.....	$0.07	–	0.5
352p	208p	♦ECD Corp ‖	287p	.....	–	–	–
313p	153p	Gandalf Techs. Inc	156p	.....	–	–	–
141p	68p	Granges Inc. ‖	68p	.....	–	–	–
866p	729p	♦Gulf Canada‖	801p	+18	52c	–	3.4
14	12½	♦Hawker Sid Can‖	12¼	−⅛	$1.08	–	4.7
16¼	13⅞	♦Hudson's Bay ‖	14½	−⅛	60c	–	2.2
34½	29¼	♦Imperial Oil‖	30⅞	+⅛	$1.80	–	3.1
17¼	13¼	Inco‖	15¼	.....	s$0.80	–	3.2
113p	18¼p	♦Mascoche Explo	19½p	.....	–	–	–
64p	42p	♦Nevada Goldfields	47p	.....	–	–	–
462p	351p	♦Nova Corp of Alberta	380xd	−1	42c	–	5.8
12¼	951p	♦Rio Algom	10¼	.....	35c	–	4.4
13½	862p	♦Royal Bk. Can. ‖	10⅞	+⅛	h$1.10	–	5.4
57⅞	42⅞	Seagram‖	46½	+⅛	US$1.40	–	1.8
782p	512p	♦Sectora Inc	785p	.....	–	–	–
97½p	42p	♦Sonora Gold Corp‖	47p	.....	–	–	–
35½p	10½p	♦Tara Pure Tech. Corp‖	26p	.....	–	–	–
11	859p	Toronto-Dom. Bk‖	886p	−8	76c	–	4.5
923p	768p	♦Trans Can Pipe	780p	+5	68c	–	4.5
200p	145p	♦Varity Corp‖	169p	−1	B-	–	–

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BANKS, HP & LEASING

1990 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
303	219	ANZ $A1	226	-3	44c	1.6	8.8	8.1
196	172	Abby National 10p.	192	+4	5.7	4.3	4.0	7.8
282	229	Allied Irish Ord	229		¶24.0c	3.3	4.3	11.8
£13½	£11¾	Algemene FL10	£12¼	+¼	028%	2.1	7.3	6.5
81	73	Anglo Irish	77xd		¶18.7c	2.7	5.7	10.5
81	68	Ansbacher (U.) 1p	68		2.5	1.5	4.9	19.6
£70½	£54½	Bancaire Cie Fr100	£66½	+1½	M12.4%		-	2.0
£22½	£16½	Banco Bilbao Viz	£18		017.9%	2.0	4.0	12.6
£31	£24½	Banco de Santander	£28		025%	2.4	4.0	10.4
286	227	Bank Ireland Ir£1	230	+1	M12.9%	3.2	5.1	7.9
£19½	£18	Bank Leumi	£19½		-	-	-	-
350	320	Bank Leumi (U.K.)	345		†13.5	-	5.2	-
125	104	Bank Scotland	107		4.55	3.4	5.7	6.5
100½	83½	Bo. 9¼pc Irrd Pf	94	+1½	9¼%		14.2	-
54	42	Bank of Wales	42xd		2.8		8.9	
599	493	Barclays £1	533	+15	27.4	3.5	6.9	5.3
22	14	Benchmark 20p	15		1.63	1.0	14.4	8.6
335	310	Brown Shipley £1	319	+1	†10.5	-	4.4	-
455	361	Cater Allen £1	364	+2	23.5		8.6	
179	137	Chancery	137		8.8	2.8	7.7	6.0
£23¼	£19½	Commerzbk DM10	£20¼		015%		3.3	-
£13¼	842	Bal Isel KSh Y50	882		¶61.6%	8.8	0.3	33.7
£31½	£24¼	Deutsche Bk DM50	£29½	+7½	028%		1.7	-
£20¾	£14	Espirito Santo	£20½		075c	3.3	2.2	13.9
253	183	First Nat. Fin. 10p	198	-3	13.0	2.4	8.8	6.1
121	96	FNFC 6.3pc Cv Pf	98	-1	6.3%		8.4	-
£15¼	953	Fuji Bank Y50	£19¼		015.6%	4.2	0.3	-
325	262	Gerrard & National	264		18.5		9.3	-
154	143	Gotmont Makos 10p	144		+2.1		1.9	-
328	223	Hambros 20p	245	+8	†10.0		5.4	-
128	93Da. 7.5pc Cv Pf		95		7½%		10.5	-
53½	45	HK & Shang. HK$2.50	45	-1	M2.93c		6.4	-
478	458	Joseph (Leo) £1	458		15.85		4.6	-
145	126	King & Shaxson 20p	126		9.25		9.8	-
422	340	Lehman Bros$0.1	354	+5	16.0	2.5	6.0	9.0
642	402	Kyowa Bank Y50	445	-4	M14.7%	4.7	0.6	33.6
307½	242	Lloyds £1	272	+14	13.3	2.6	5.5	6.4
58	44	Lon. Scot. Bank 10p	45	+1	2.4	1.0	7.1	9.4
404	272	Midland £1	290	+6	18.0	2.8	8.3	6.0
£14½	£10½	Mitsubishi Bank Y50	£10½		M16.4%	8.1	0.3	44.6
£12¾	£6½	Mitsubishi Tst & Bk Y50	£7¾	-¼	016.5%	8.2	0.4	29.8
£10½	£7½	Mitsui Bank Y50	£8½	-¼	M16.9%	6.0	0.4	44.6
904	595	Mitsui Tst & Bk Y50	642	-4	Q16.9%	6.2	0.4	26.7
326	279	Nat Aust. Bk. A$1	286	-4	a950c	1.0	7.9	9.7
360	299	NatWest £1	333	+14	16.7	3.3	6.7	6.1
£210	£190	Nippon Bank	£200		Q110%	2.8	5.8	6.1
53	39	Nra Bros. Group	41xd	-2	0.5	3.4	1.6	19.6
200	155	Rothschild (J) Hldgs	175	+8	†9.5	3.6	7.2	5.0
227	149	Royal Bk. Scotland	167	+1	†7.5	3.8	5.8	5.8
795	424	Sakamoto Bank Y50	481	-5	M13.9%	4.7	0.5	39.7
£12¼	806	Sanwa Bank Y50	815		M16.9%	8.3	0.4	30.9
1805	1425	Schroders £1	1425		25.0	3.9	2.3	10.6
1425	1075	Do. £1 N/V	1075		25.0	5.9	3.1	8.3
£25½	£20	Sec. Pacific $10	£22½		Q51.9%		0.9	-
614	470	Standard Chard. £1	489	+12	a950c	1.0	7.9	19.2
£16¼	£8½	Sumitomo Bank Y50	£9½	-½	M16.9%	7.9	0.3	43.3
£11	£6½	Sumitomo Tst & Bk Y50	£7		M16.9%	8.1	0.5	27.2
147	121	TSB	133	+2	5.8	2.8	5.8	8.6
175	126	TSB Bank Of Ind Vt	147		06.7	3.5	4.8	7.0
£11¾	£5½	Tokai Bank Y50	£6½	-½	Q16.9%	4.6	0.4	49.0
920	605	Tokyo Tst. & Bk Y50	688	-9	M15.2%	6.9	0.4	32.7
611	532	Union Discount £1	534	-1	33.0	8.2	-	-
525	398	Warburg (S.G.)	420	+14	†12.5		4.0	-
180	133	Do 6pc Cnv Prf	139	+4	6%		5.8	-
279	231	Westpac SA1	236	-1	Q52.5c	1.5	10.8	6.5
420	378	Wintrust 20p	378		17.8		5.8	-
969	574	Yasuda Tst & Bk Y50	671	-10	M17.7%	9.3	0.5	21.4

Hire Purchase, Leasing, etc.

1990 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
395	173	Anglo Grp. 10p	193	+5	15.0	4.1	3.5	7.5
£28½	£7½	Do. 9½pc 1992	£9½		Q9.5%		11.9	-
128	100	CLF Vroman 50p	108		†8.3c	3.4	3.8	4.1
71	61	Cambridge Grp 10p	63	+2	07½%		0.5	-
55	37	Capital Leasing 10p	41		M3.2c	3.5	2.7	9.6
68	50	Cattle's (Hldgs) 10p	52		5.8		9.2	
408	367	Prov. Financial	384		20.5	2.0	7.1	9.3
235	210	Shelley Inds. Ir5p	218		Q34.6%	6.0	4.6	24.4
225	199	Secom Trust Gen. 1p	214xd		6.5		4.1	-
210	178	Woolchester (82p	197	+2	Q15.4c		4.1	-

BEERS, WINES & SPIRITS

1990 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
519	408	Allied-Lyons	428	+4	†15.0	2.4	4.7	10.1
£24½	£20½	Anheuser-Busch $1	£22¼	+¼	72c		1.7	-
1069	895	Bass	943	+5	28.2	3.1	4.0	10.8
170	131	Boddingtons	142		4.3		3.0	-
195	163	Bulmer (H.P.) 5p	167	-5	†6.9c	1.4	5.2	16.6
227	203	Burtwood Brewery	203		3.55	1.5	2.3	22.8
400	305	Clark (Matthew)	369	-2	†13.0	2.8	5.7	8.5
204	170	Dewhurst (J.A.) 5p	172		4.65	3.1	3.6	10.5
229	129	Do 4.5pc Cv 2nd Pf	129		4½%		5.5	-
167	123	Eldridge, Pope "A" 50p	126		4.1	2.5	3.2	11.7
400	350	Fuller, S.T. A	356		†4.45	4.4	1.7	16.6
658	535	Grand Metro. 50p	562	+11	17.75	2.5	4.2	11.1
349	295	Greenall Whitley	297	-1	8.7	2.9	3.9	11.1
167	137	Do. 5.5pc CnPREL	140		5.95%		3.9	-
420	314	Greene King	327	+6	†8.7	3.6	3.1	10.0
699	653	Guinness	663	+4	15.3	3.0	2.3	12.9
194	172	Do. 5¼pc Cm Prf	188		5.75%		3.6	-
£24½	£18½	Do 8¼pc Cv Ls	£22½		Q8½%		3.6	-
255	202	Highland Dists. 20p	206xd	+1	†3.85	2.7	2.5	19.6
520	428	Scottish Courage	428	-10	†30.6	6.9	0.7	-
2000	1900	Mackeson $1	2000		†m24.0	0.1	1.2	39.2
480	380	Mansfield Brewery	380	-2	†9.5	3.5	3.3	14.8
222	160	Marston Thompson	168		†3.36	3.5	2.8	13.8
405	395	Merrydown Wine	397	+1	†45.7c	3.5	1.9	19.5
403	338	Morland	348		†6.13	4.1	2.0	14.5
361	270	Scott. & New 20p	333	+3	†10.8c	3.2	4.4	11.6
329	200	Vaux Group 10p	203	+3	†7.84	2.2	5.1	13.3
428	360	Whitbread "A"	369	+4	†12.55	2.8	4.5	9.7
76	62	Wolverhampton & Dudley Brewery	62		1.5		3.2	-
430	339	Wolv. & Dudley	346		19.0	3.8	3.5	10.8
464	360	Young Bros. "A" 50p	360	-5	†10.2	1.8	5.2	24.6
415	375	Do. Non. V. 50p	375	-5	†10.2	1.8	3.0	20.1

BUILDING, TIMBER, ROADS

1990 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
504	389	AMEC 50p	390xd	+1	19.0	3.6	6.5	5.5
125	96	Do. 6½pc Cn Cv Pf	97	+1	6½%		9.1	-
150	70	Alency	87	+2	26.8%	4.1	9.7	3.3
116	85	Allen Sp	88		†1.4c	2.8	6.4	6.8
192	128	Alumco Corp	128		-	-	-	-
155	65	Anglia Sec 10p	69		n2.0	0.2	1	-
155	138	Arscliffe 10p	148		6.75	5.9	6.4	3.5
285	218	Ashead Group 10p	218	-3	12.5	8.5	1.5	9.4
465	405	Attwoods 5p	414	-1	18.0	2.3	2.8	18.0
229	129	BMSS 10p	140		14.0	3.8	3.7	7.9
263	205	BPB Inds. 50p	246	+1	†20.75	2.4	7.0	7.3
144	91	Baggeridge Brick	99	+1	3.13	5.1	4.1	9.1
71	40	Bailey (Geo) 10p	48	+2	11.9	6.8	5.5	10.9
127	97	Baldwin 10p	101	-2	2.55	4.0	3.4	9.8
180	155	Ball (A.H.) 5p	155		6.10	1.9	5.2	12.8
51	31	Bamer Homes 10p	31		12.8	3.9	-	2.8
216	164	Barratt Dev. 10p	164	+4	13.39	2.0	6.1	6.3
179	138	Beazer 10p	156		57.2	2.5	4.2	9.2
205	164	Bellway	184	+5	11.0	4.0	8.1	4.1
141	116	Bethwick 10p	116	-2	†3.75	1.8	-	-
204	142	Berkeley Group	143		4.5	3.9	4.2	8.1
142	123	Bett Bros. 20p	125		5.8	3.5	6.0	6.8
227	149	Blue Circle 10p	149		14.2	2.2	4.6	10.2
155	105	Blockleys 20p	105xd	-5	4.81		6.0	-
271	200	Blue Circle 50p	209xd	+5	11.0	2.4	7.0	7.1
141	106	Do. 7½pc Cv Rd Pf	114	+3	7½%		8.9	-
463	435	Bmt (Henry) 50p	453	+17	21.0		6.6	-
199	98	Brewster	108	-2	4.25	2.5	2.1	4.9
355	325	BPB & CA	333		19.4	4.0	5.8	13.4
165	123	British Dredging	138	+3	7.0	2.1	6.3	9.3
127	75	Bryant Group	79	+3	4.8	3.5	8.2	4.6
121	115	Burhead Assts 1p	119		13.9	2.6	4.0	10.5
115	90	CALA Sp	90		6.5	5.2	4.9	5.2
34	30	CCG Group 20p	32xd		0.55		2.9	-
283	252	CRH	269	+1	028%	3.7	2.5	14.8
83	73	Calderwood Baley "A"	73		4.1	2.5	7.5	7.2
172	109	Calroy 10p	152		†7.5	3.8	7.6	4.1
119	620	Cawder Group	625	-20	16.0	5.3	5.4	7.7
103	88	Cooper Cartr Gp. 10p	94	-5	5.1	5.6	6.7	7.1
110	35	Cosman (F.J) 5p	34		†p4.0	2.9	4.9	21.1
318	229	Costain Group	245xd	+2	12.25	1.6	6.7	11.5
221	170	Crest Nicholl 10p	175		4.0	9.2	3.0	4.8
217	148	Crest Nicholl 10p	150		7.65	3.7	6.2	5.3
85	50	Do 5½pc Cn Cm Rd Pf	50	+2	5½%		9.2	-
37	20	Cronite 10p	23		†1.7	1.2	9.9	10.1
103	70	Crosby (James) 10p	71		13.5	6.9	6.8	2.9
51	38	Dawson Tyres 10p	40	-1	†0.75	2.4	2.5	32.9
433	265	Douglas (Hldg. NL)	271		†6.5	5.8	3.2	6.7
229	220	Dunton Group 5p	221		5.9	2.7	6.4	4.0
164	115	EBC 50p	123	-2	8.0	3.4	8.7	4.4
46½	33½	Edmond Hldgs 10p	34		1.85	3.0	7.3	6.1
125	110	Epwin Group 10p	112	-1	6.0	2.3	7.1	7.5
75	51	Erith	52xd	-3	3.9	1.2	10.0	10.9
271	220	Ecc Group	220	-2	†27.3	3.0	4.1	9.2
151	111	Everett	114xd	+1	5.46		6.4	-
36	22	Exclusive LIV 5p	29½		-	-	-	-
92	35	Fairclough	43		15.0	3.7	-	2.3
100	4	Fed. Housing 5p	5		7.5	4.5	9.1	1.1
54	18	Forbes Group 10p	34		4.1	9.2	2.4	3.5
282	263	Fremlin Group 10p	263		8.1	3.1	4.3	9.5
84	59	Gailliford 5p	61	+1	†3.9	2.1	8.5	7.3
195	150	Gibbs & Dandy 10p	158		2.75	0.8	2.3	-
38	30	Do. "A" 10p	30		2.75	0.8	2.3	-
74	61	Hanson (OH) 10p	65xd	+1	†9.34	3.1	4.8	8.8
166	160	Graham Wood	178		1.7.7	3.9	6.0	4.7
162	130	Harrison Inds 10p	138		†6.85	3.1	7.0	6.0
124	91	Hemdale-Stuart 10p	93	-1	2.75		4.0	-
£490	£377	Do. 10pc '03/08	£380		Q10%		2.6	-
113	101	Heverson 10p	103		†3.85	3.7	5.0	7.2
93	84	Do. 7pc Cm Cv Pf	84		7.0		11.1	-
45	36	Hey & Croft 25p	38		2.81	1.9	9.9	7.0
268	224	Heywood Williams	262	+4	12.5	2.8	6.4	7.2
107	80	Do. Cnv. Pref	102	+1	6.5		6.4	-
466	314	Higgs & Hill	314xd	-8	20.0		8.5	-
75	55	Hollow Group 10p	57xd	-1	3.6		9.4	-
37	27	Howard Hldgs. 10p	27		1.5	4.6	7.4	4.5
152	112	Hestock Johnson	128xd	+3	6.0	2.9	6.7	6.2
44	19	Do. Warrants	22		-	-	-	-
110	105	Jackson Group 10p	108		†12.65	3.2	3.3	12.9
125	80	Jarvis 5p	88		12.25	3.3	3.8	8.8
¶204	76	Jennings A$.50	77		Q20.5c	2.1	3.9	8.1
108	93	Keegan Gp Ir20p	100xd		11.71		2.3	-
£67½	£32	Lafarge Cop. FF25	£45¼		Q35%		2.1	-
325	242	Laing (John)	244	+1	13.0	3.9	7.0	5.6
293	230	Do. "A" N/Vtg	246	+1	13.0		7.0	-
295	220	Latham (J.) £1	235		†10.75	3.5	6.1	6.3
98	55	Lawrence (W.)	64	+2	7.5	2.0	17.1	3.8
105	65	Do 6.5pc CnRnPf £1	65		6½%		10.7	-
63½	56½	Lilley 12½p	59	+1½	2.5		5.8	-
115	98	Lon. & Cty/Hldgs.	105		6.3	2.5	8.0	6.7
363	198	Lovell (G.F.)	205		N7.0		4.6	-
256	190	Lovell (V. J.)	198	-4	8.75	4.2	6.1	5.1
365	311	McAlpine (Alfred)	317		16.1	1.8	6.8	10.9
144	34	McCarthy & Stone 20p	43	-2	3.95	1.9	12.2	5.8
205	197	McLaughlin & H.	197		10.0	2.2	6.8	8.1
208	181	Manders (Hldg)	183		6.85	2.0	5.0	13.0
150	118	Marley	125	+3	6.55	2.0	6.9	8.3
134	108	Marshalls	110		†4.35	4.0	5.3	5.7
102	87	Do. 6.6pc Cv. Pf	88		6.5		9.8	-
91	65	Meanors (J) 20p	75	+2	14.75	4.0	8.4	4.0
380	333	Meyer Int.	345		†15.0	4.0	5.8	5.6
236	158	Miller (Stan) 10p	188		4.0	2.6	26.7	1.7
44	36	Mowlem (J)	34		1.38		5.3	-
387	309	Newlands (J)	314xd	+4	21.0		8.0	-
¶151	75	NSM 10p	75	-1	N3.5	2.1	6.3	(9.5)
101	95	Needler Group	96		Q10.4c	2.4	5.7	7.2
¶304	147	Newman-Tonks	155xd		9.3	1.8	8.0	8.9
164	133	Pershmon 10p	135	+1	6.5	4.2	6.4	5.0
110	93	Phoenix Timber	105		2.75	2.7	3.5	Q1.6
614	611	Pochin	£611		¶24.0	7.6	2.9	5.0
118	102	Polypipe 10p	109	+1	†3.0	3.6	3.7	9.2
148	114	Powling 20p	121		5.0	4.2	5.9	5.8
76	51	Quilligotti 5p	58		†1.0	2.4	4.6	10.5
745	586	RMC	605xd	+9	18.0	3.6	4.0	8.8
112	86	Raine Inds. 10p	89	+2	†5.0	2.5	7.5	7.1
102	68	Ramus	68		17.5	2.0	-	9.1
611	520	Redland	551	+1	23.35	42.2	5.8	8.8
£112	£98½	Do. Cap. 7½pc Cv '02	£99½		07¼%		7.5	-
124	118	Rexhill 10p	118xd		4.3	3.3	4.9	8.4
199	152	Rugby Group	163	+3	6.45	3.1	5.3	8.1
257	23	Rush & Tompkins	43xd		15.2	2.4	-	1.6
20	15	SWP Group 5p	10.5		1.0.5	6.1	4.4	4.9
121	89	Sandell Group 10p	92	+2	4.4	1.9	6.4	10.4
104	91	Sheffield-Zeme 10p	92xd		4.0	3.5	5.8	6.5
112	69	Sharpe & Fisher	75		4.0	2.6	7.5	6.9
143	120	Sheffield Inds. 10p	130		4.1	3.1	6.4	6.1
155	150	Sheriff Hldgs. 5p	151	+1	15.25	2.4	4.6	12.1
200	168	Sherco Grp	175		4.5		3.4	-
264	218	Sindall (Wm) 5p	218		6.0		2.9	-
182	170	Smart (J.) 10p	170		46.4	2.7	5.0	10.0
429	346	Steetley	397½	+15½	13.78	3.1	4.6	8.7
263	207	Tarmac 50p	231xd	+5	11.25	4.9	6.5	7.2
111	79	Tay Homes	91	+10	†4.0	6.8	5.9	3.4

BUILDING, TIMBER, ROADS — Contd

1990 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
325	237	Taylor Woodrow	268xd	+2	9.0	2.5	4.5	11.3
665	535	Tilbury Group	539xd	+3	32.0		7.9	
75	52	Tonge Hire 10p	58	+1	2.4	2.3	5.5	10.2
189	165	Travis Perkins 10p	178	+1	8.0		6.5	
111	96	Try Group	96		6.0	2.9	8.5	5.1
41	28	Tudor 20p	31xd		2.7	1.8	11.6	5.6
310	272	Turriff Corp.	283	+4	15.0	3.2	7.1	5.5
65	15	Western Platt Grp. 5p	28	+1	3.25	1.0	21.7	5.1
172	124	Vibroplant 5p	130	+3	†g3.0	5.9	3.1	7.1
455	240	Ward Group 5p	248xd	-5	7.2	4.7	4.0	6.6
95	48	Ward Hldgs. 10p	49	+1	2.4	3.3	7.1	5.8
380	315	Watts Blake	344	+11	8.6		3.4	
98	88	Wescol Group 10p	88		e4.5	2.0	6.8	7.8
233	121	Westbury 10p	133	+½	†8.5	5.7	8.5	2.7
276	240	Wilson Bowden 10p	86		15.0	1.7	7.8	9.2
179	148	Wilson (Conrad) 5p	159		3.45	5.3	3.1	7.5
267	216	Wimpey (Geo)	219	+1	10.5	2.8	6.4	7.4

CHEMICALS, PLASTICS

1990 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
£46½	£35½	Akzo FL20	£38½	+¼	Q40%	2.7	6.4	5.5
173	141	Allied Colloids 10p	149	+1	12.65	3.5	2.4	16.7
65	48	Amer Plastic Tech 1c	58	+2	Q2.5c		4.2	-
401	269	Amersham Intl	292	+2	†11.0	1.9	5.0	12.9
65	16	Astra Hldgs.	25		†g4.35	2.3	3	2.0
£115½	£83½	BASF AG DM50	£110½	+½	Q26%		4.2	
156	135	BTP 10p	152	+1	17.0	1.8	6.0	11.9
£118½	£104½	Bayer AG DM 50	£110½	-½	Q26%		4.3	
190	166	Bogden Inds.	168		9.1	1.4	7.3	9.9
145	125	Brent Chemi 10p	143	+2	6.8	1.7	5.3	11.2
184½	158	Caird Group 10p	178xd		†12.17	3.1	1.6	22.6
340	291	Lec Refrigeration	299		7.0		8.0	-
8	2	Lexicon Inc 1c	2		Q0.36		2.0	-
95½	83	Life Scien's Int. 10p	85xd		7.16	2.4	4.8	9.2
358	266	Logica 10p	292	+1	13.1	6.1	1.4	14.0
143	116	Logitek 5p	138		†3.6	4.2	3.5	9.1
25	15	IM BS 5p	16		-	-	-	-
146	144	MMT Comgl. 5p	142	-2	2.45	5.2	2.1	12.3
135	125	MTL Inds Grp 10p	130		†4.3	1.7	4.4	17.7
298	278	Macro 4 5p	278		17.8	2.5	3.1	14.2
58	45	Magnetic Materials 10p	46		3.0	1.3	8.7	11.6
179	146	Memec 10p	179		6.0	2.6	4.5	11.5
7	7	Memory Comp. 10p	7½		-	-	-	-
368	345	Mondis Group 5p	345		15.2	3.7	2.0	18.0
161	151	Microlec Group 5p	161	+1	N4.0	3.1	3.3	15.2
277	213	Microvitec Hldgs. 10p	215		†13.3c	3.2	1.9	14.0
628	446	Micro Focus 10p	449				1.1	-
107	107	Microgen Hldgs. 5p	107		6.7	1.6	8.3	10.0
31	15	Microwriter 5p	15		1.5	1.9	6.5	11.0
£141	£71	Millicom Inc. 1c	£96		4.7	2.6	2.4	21.6
377	168	Mitel 5p	364		14.8	3.9	3.8	20.4
495	339	Mitsubishi Elect Y50	374		†10.6c	2.9	0.9	40.4
112	85	Molymk 20p	88	-2	3.29	4.0	5.1	3.5
£43½	£32½	Motorola $1	£42½	-½	0.76c		1.1	-
57	37	Multitone Elect	37		0.1		0.7	-
857	677	NEC Corp Y50	818	-5	Q18%	1.5	0.4	-
85	76	Neotronics Tech. 5p	78		1.8	2.5	3.1	17.3
52	32	Nexus Invests.	32		g2.6		6.2	-
180	103	Newmark (Louis)	103		†14.7	1.3	5.6	8.5
£14½	£10½	Nokia Corp FM FN20	£10½		Q10%	2.7		-
25	21	Norbain Elec. 5p	21	+2	0.7	2.8	3.7	19.7
£5½	£3½	Nork Data 'A' B.K.20	£4½		-	-	-	-
152	86	Northamber 5p	97		2.0	11.4	2.7	4.2
£16½	£13½	Nth Telecom II	£14½		028%		1.2	-
25	18	Oceanics 25p	25		8	-	37.2	07
118	98	Optim Group 10p	118		-	-	-	-
98	57	Orchid Tech. 1p	77		00.5c	0.4		70
254	196	Oxford Inst. 5p	196	+3	3.2	4.4	2.2	13.9
227	203	P & P 10p	222		13.0	6.4	1.8	11.5
254	219	P.B.I. 5p	254		5.6		2.9	
91	68	Peck 5p	64		3.9	2.3	7.1	7.9
£105	£95	Pegasus Group 5p	£100		†11.2c	5.3	7.8	9.4
£15½	£10	Philips Fin. 5¼%	£15½		1.6		10.3	-
£15½	£10	Philips Lp. F10	£15½		1.6		10.3	-
232	220	Pinkerton 10p	220	-5	10.0	4.5	4.5	20.0
200	180	Do. "A" 20p	180	+3	†6.0	4.2	4.4	6.8
97	84	Plasmec 10p	84	+1	5.0		8.1	
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MOTORS,AIRCRAFT TRADES — Contd

Components

1990 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
456	420	Abbey Panels	459	......	3.5	10.8	1.0	12.0
225	203	Airflow Streamlines γ	219	–2	6.0	4.2	3.8	8.5
190	145	Bostrom 5p γ	158	+5	5.75	3.1	5.1	6.8
266	191	Dowty 50p β	213	+3	†8.0	2.3	5.0	11.2
239	155	FR Group β	164	+7	6.37	♦	5.3	♦
135	63	Kwik-FR Hldgs. 10p β	66xd	+2	2.4	♦	4.8	♦
694	568	Lucas Inds. £1 α	610	+11	†25.0	3.0	5.5	6.9
16	9	Spice 5p γ	9	......	‡q1.2	0.4	‡	69.0

Garages and Distributors

1990 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
28	20	Alexanders 10p γ	21	......	1.0	3.0	6.3	6.3
135	115	Appleyard 10p β	115	......	7.8	2.4	9.0	5.4
110	75	Bletchley Motor 20p γ	80	......	7.5	♦	13.1	♦
568	518	Caffyns 50p β	518	......	11.5	0.4	3.0	–
121	103	Central Motor Auctns. γ	103	......	3.25	3.0	4.2	10.4
61	28	Cook (D.C.) Hldgs. γ	28	–8	‡1.33	–	‡	–
89	41	Cowie (T.) 5p β	41	–2	4.2	2.2	13.7	3.9
95	68	Dagenham Motors 10p γ	73xd	–1	5.25	♦	9.6	♦
98	81	Davenport Vernon 10p γ	93	......	3.5	3.6	5.0	6.5
29	16	Equity & Gen 5p	28	......	†1.5	1.7	10.0	(7.1)
247	194	Evans Halshaw β	194	......	11.25	2.4	7.7	7.1
113	85	Gates (F.G.)	95	......	B2.75	2.6	3.9	13.2
161	116	Gowrings 10p	118	......	5.63	♦	6.4	♦
167	118	Hartwell	148	......	3.1	2.8	3.0	16.3
81	72	Jacks Wm. γ	72xd	–1	2.0	♦	3.7	♦
118	88	Jessups γ	88	......	7.0	2.5	10.9	4.9
181	74	Lancaster α	175	......	‡4.5	2.7	3.4	14.6
297	238	Lex Service β	238	–5	15.3	2.6	8.6	6.0
147	110	Lookers γ	110	......	6.2	4.0	7.5	4.3
133	88	Pendragon γ	114	–1	W4.25	♦	5.0	♦
178	149	Perry Group β	149	......	9.0	2.1	8.4	7.5
133	116	Quicks Group 10p γ	116xd	......	6.0	♦	6.9	♦
26½	18	Trimoco 10p β	18	......	1.4	4.7	10.4	2.7
£222	£160	Do. 11½pc Ln '96	£167½	......	Q11.5	–	6.9	–
83	68	Vardy (Reg) 10p γ	70	......	w4.5	2.2	6.4	7.1
793	515	Western Motor α	784	......	‡18.0	♦	3.1	♦

NEWSPAPERS, PUBLISHERS

1990 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
93	63	Advocate γ	63	–2	6.0	1.5	12.7	7.2
218	183	BPP Hldgs 10p γ	205	......	5.25	2.0	3.4	15.0
190	125	Barbour Index γ	130	+5	†h4.75	2.7	4.9	10.0
480	385	Black (A. & C.) γ	480xd	......	13.0	♦	3.6	♦
1020	805	Blenheim Exhibits 5p	805	......	13.0	2.8	2.2	21.0
375	285	Bristol Eve. Post γ	290	......	†10.5	1.5	4.8	14.5
£61	£45	Daily Mail 'A' 50p γ	£45½	+½	100.0	3.2	2.9	11.7
252	192	EMAP β	196	......	15.66	3.0	3.8	11.6
383	323	Euromoney Pubs. 1p γ	331	+8	†16.0	1.5	6.6	13.6
103	91	NEW Fact 5p γ	100	–1	3.5	2.4	4.7	11.6
192	178	Gardner D.C. γ	192	......	4.3	2.0	3.0	17.0
230	210	Haynes Pub 20p γ	210	–5	†h9.5	2.0	6.0	10.9
250	165	Hobsons Publishing 5p α	250	......	‡10.1	–	5.4	–
255	185	Home Counties γ	185	......	8.0	3.5	5.8	6.6
491	348	Independent γ	358	+5	Q64%	1.6	4.2	19.3
92	63	Intl. Bus. Comms. 10p β	78xd	+7	4.5	♦	7.7	♦
148	143	Johnston Press 10p γ	145	......	4.5	3.2	4.1	9.5
229	178	Maxwell Comms. Corp. α	181	+2	†m14.4	1.0	10.6	(13.5)
121	113	Metal Bulletin 10p γ	116	+5	6.0	1.6	6.9	11.8
175	105	Musterlin 20p γ	105xd	......	2.25	♦	2.9	♦
727	430	News Corp A$0.50	453	–10	Q10c	17.6	1.0	5.7
338	265	News Intl. Spec. Div. β	280	......	†4.98	1.5	2.4	–
780	643	Pearson α	688	+10	21.5	2.8	4.2	10.3
143	99	Pion Resh. & Sys 10p γ	99	......	13.5	2.5	4.7	9.5
315	267	Portsm'th & Sund. γ	267	......	†6.86	4.2	3.4	9.2
152	135	Quarto Group γ	135xd	......	4.88	3.3	4.8	7.1
464	378	Reed International α	382	+2½	†12.0	2.6	4.2	11.7
99	74	Southnews 5p γ	77	+2	4.8	2.5	8.3	6.3
145	125	Sterling Pub. 5p γ	131	+5	†4.5	2.2	4.6	12.3

PROPERTY — Contd

1990 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
854	675	Hammerson "A" α	721xd	......	19.5	a1.5	3.6	25.8
113	55	Hanover Druce 10p γ	80	–3	5.0	0.9	8.3	17.2
675	475	Hardanger Prop 10p γ	475	......	28.13	2.8	7.9	5.7
285	195	Hatical Bar 5p β	203	......	10.0	♦	6.8	♦
81	63	Do. 5¼pc Cv Pf '12 γ	63	......	5¼%	–	11.1	–
177	145	Herring Son & Daw 10p γ	145	......	5.75	3.3	5.3	7.4
67	55	HK Land Hldgs.	60	......	Q48c	♦	6.1	♦
18½	11½	INOCO 10p β	17½	......	–	–	–	–
1148	748	Int Inc Ppty $0.01	1180	......	Q$1.00	–	5.9	–
250	225	Jermyn Invest	250	......	2.5	3.6	1.3	23.4
33	30	Key City Prop.	32½	......	–	–	–	–
725	480	Laing Properties β	721	......	‡K14.76	2.0	2.7	24.0
£335	£212½	Do 8½pc Ln 2000-05 γ	£330	......	Q8½%	22.4	2.7	–
549	458	Land Securities £1 α	465	+2	†14.4	1.5	4.1	21.0
£91¾	£76¼	Do. 10pc 1st Mt Deb 2025 γ	£76¼	–2¼	Q10%	–	13.1	–
£91	£76¼	Do. 10pc 1st Db 2030 γ	£76¼	–1¼	Q10%	–	13.1	–
670	560	Land Lease 50c	578	......	Q60c	1.9	5.6	9.7
£95	£79½	LETINVEST 10½pc Deb 2022	£81	......	Q10¼%	–	12.7	–
223	127	Lond & Edinburgh 10p α	218	......	‡f4.0	4.1	2.4	12.0
154	95	Do 6pc Conv. Pref. γ	158	......	6.0	8.8	3.3	–
445	245	Do. 6½pc Cv Pf. γ	435	......	6.5	22.9	2.0	–
158	54	Lon & Metrptn 5p β	65	–16	6.65	2.9	13.6	3.1
48	29	Lon. Securities 15p γ	32	–1	†1.0	4.5	4.2	4.9
81	53	Do. 8½pc (Net) Cv γ	54	–1	8.25	–	20.4	–
549	464	MEPC α	489	+2	17.0	1.6	4.6	17.2
82	54	Markheath	54½	......	†5.0	2.7	12.7	3.8
43	18	Marylebone Ests 5p β	18	......	3.0	1.8	22.2	3.3
230	73	McInerney 10p γ	73	......	Q83.9%	3.8	10.3	3.6
175	120	McKay Secs 20p γ	143	–4	†5.3	1.6	4.9	14.2
27	15	Merchant Manf. Ests. γ	15	......	3.0	4.0	26.7	1.1
436	295	Merivale Moore 5p γ	303	......	10.5	5.0	4.6	5.8
63	12	Merlin Intl Props. β	12	......	2.0	–	22.2	–
71	28	Micklegate Grp. 1p γ	28	–3	R2.25	3.4	10.7	3.3
50	38	Molyneux Ests. γ	38	......	–	–	–	–
107	74	Moorfield Estates 10p γ	74	......	3.75	4.0	6.8	4.9
163	139	Mountleigh γ	138	......	4.75	2.4	4.7	12.1
94	82	Do. 5.25pc Cnv Pf. γ	82	–1	5.25%	–	8.5	–
1200	900	Mountview Ests. 5p γ	925	......	9.5	17.0	1.4	5.7
40	27	Mowat Group 10p α	27	......	a1.2	4.8	5.9	4.6
124	111	Muckiow (A. & J.) β	111	–7	†h4.46	1.5	5.5	15.2
63	56	New Cavendish 5p γ	58	......	–	–	–	12.2
24½	17½	Oliver Eng. Prpt 5p γ	18	......	1.0	♦	7.4	♦
19	12	Omory Estates 5p β	14	......	†0.75	2.3	7.1	8.1
237	185	Palmerston Hldgs. γ	185	......	†8.5	1.4	6.1	(9.0)
238	125	Peel Hldgs. β	139	–10	10.0	1.8	9.6	(4.9)
38	6	Pennant Props. 10p γ	6	......	‡1.0	–	‡	–
204	163	Power Corp. Ir10p γ	163xd	......	Q75%	♦	4.3	♦
330	153	Priest Marians 10p α	208	+15	3.3	12.2	2.2	4.9
£107½	£65½	Do 6½pc Cr Ln '00/03 γ	£72½	......	Q6.5%	–	9.0	–
78	33	Prior 10p	33	......	†2.3	3.9	9.3	3.7
305	275	Prop. Partnership γ	275	......	†5.5	2.2	2.7	22.3
150	115	Prop. Sec. Inv 50p β	118	–2	†h3.13	1.3	3.5	26.4
3	1½	Property Tst 1p β	1½	+¼	–	–	–	40.0
10½	5½	Rastan Prop 1p β	5½	–¼	0.17	3.5	4.1	9.3
92	65	Regalian β	68	+1	4.0	4.5	7.8	3.8
28	9½	Regentcrest 10p β	15	......	0.5	3.9	4.4	6.9
58	16	Rockfort Group 20p β	17xd	–6	1.9	♦	14.9	♦
478	217	Rosehaugh 20p β	225	–9	g2.0	7.9	1.2	17.9
226	175	Rowlinson 10p γ	175	......	1.35	12.2	1.0	10.6
67	47	Safeland 5p γ	47	......	†2.6	3.4	7.4	4.8
32	9	Sallmanns A$0.2	11	......	9c	1.5	–	1.3
93	60	Savills 5p β	60	......	3.75	2.7	8.3	6.0
37	27	St Modwen 10p β	29	+½	1.4	4.2	6.4	4.7
156	128	Scot. Metrop. 20p β	128	......	†6.0	1.4	6.4	15.1
183	163	Shaftesbury γ	163	–2	1.5	8.8	1.2	10.9
36	25	Sheafbank Prop. γ	28	......	0.75	4.8	3.6	6.5
78	36	Sheraton Secs. 10p	36xd	......	†4.5	3.2	16.7	2.3
85	63	Sterling Goldsmith 10p γ	63	......	5.0	2.6	10.6	4.9
335	266	Slough Ests. α	278	+1	10.8	1.9	5.2	12.5
£101¾	£85¼	Do. 12½pcLn 2009 γ	£96	–4	Q12½%	–	13.2	–
£98	£83	Do. 11¼pc 2019 γ	£88½	......	Q11¼%	–	12.2	–
£112¼	£92	Do. 6pc Cv. Bd2003 γ	£93¼xd	+¼	Q6%	–	6.4	–
122	114	Smith (James) Est. γ	119	......	u4.0	0.9	3.5	34.0
149	102	Southend Prop. 5p	113	......	†3.0	1.3	3.8	10.0
74	60	Do. 5½pc Cm Cv Rd Pf γ	63	......	5½%	–	11.6	–
358	96	Speyhawk β	106	–36	14.0	4.2	17.6	1.7
170	135	Stanhope Props. β	143	–2	0.1	–	0.1	14.6
£51	£51	Stewart & Wight	£51	......	75.0	2.0	2.0	33.4

PAPER, PRINTING, ADVERTISING

PROPERTY

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRANSPORT

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS, FINANCE, LAND—Contd

Finance, Land, etc

WATER

OIL AND GAS

OIL AND GAS—Contd

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Diamond and Platinum

Central African

Finance

Australians

Tins

MINES—Contd

Miscellaneous

THIRD MARKET

NOTES

Stock Exchange dealing classifications are indicated to the right of security names: α Alpha, β Beta, γ Gamma.

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 25 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock"
- * Highs and lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed
- ‡ Interim since reduced, passed or deferred
- ‡‡ Tax-free to non-residents on application
- ♦ Figures or report awaited
- ♥ Not officially UK listed; dealings permitted under rule 535(4)(a)
- ✱ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‡‡ Not officially listed.
- ‖ Price at time of suspension
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress
- ♦ Not comparable
- ♦ Same interim; reduced final and/or reduced earnings indicated
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ✱ Cover does not allow for shares which may also rank for dividend at a future date. No P/E usually provided.
- ‖ No par value

B.Fr. Belgian Francs. Fr. French Francs §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Annualised dividend. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend; cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast, or estimated annualised dividend rate, cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1988-89. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1989. K Dividend and yield based on prospectus or other official estimates for 1990. L Estimated annualised dividend, cover and P/E based on latest annual earnings. M Dividend and yield based on prospectus or other official estimates for 1988. N Dividend and yield based on prospectus or other official estimates for 1989-90. P Figures based on prospectus or other official estimates for 1987. Q Gross. R Forecast annualised dividend, cover and p/e based on prospectus or other official estimates. T Figures assumed. W Pro forma figures. Z Dividend total to date. Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or –
Albany Inv 20p γ	76	......
Craig & Rose £1 γ	810	......
Finlay Pkg. 5p γ	55	......
Holt (Jos) 25p γ	1310	......

IRISH

Stock	Price	+ or –
Cap. 8½% Ln. 1991	£97	......
9pc Cap Ln. 1996	£94	+¼
Fin. 13% 97/02	£111½	......
Arnotts	435	......
Carrol (P.J.) γ	155	+8
Hall (R. & H.)	178	+8
Heiton Hldgs. γ	75	+5
IRG	200	......
United Drug	165	......

TRADITIONAL OPTIONS

3-month call rates

Industrials	p
Allied-Lyons	39
Amstrad	5½
Astec (BSR)	5¼
BAT	83
BOC Grp.	45
BTR	36
Barclays	49
Blue Circle	19
Boots	23
Bowaters	38
Brit Aerospace	42
British Steel	9
Brit. Telecom	25
Cadburys	27
Charter Cons	48
Comm Union	48
Courtaulds	24
Eurotunnel	60
FKI	7
FNFC	23
Gen Accident	98
GEC	18
Glaxo	56
Grand Met	45
Guardian	19
GKN	33
Hanson	18
Hawker Sidd.	55
ICI	85
Ladbroke	25
Legal & Gen	34
Lex Service	26
Lloyds Bank	22
Lucas Inds.	52
Marks & Spencer	17
Midland Bk	27
Nat West Bk	29
P & O Dfd.	58
Polly Peck	37
Racal Elect.	19
RHM	35
Rank Org Ord	68
Reed Intnl	33
STC	20
Sears	9½
SmKl. Beecham A	46
TI	38
TSB	11
Tesco	17
Thorn EMI	61
Trust Houses	22
T&N	17
Unilever	56
Vickers	18
Wellcome	60

Property

Stock	p
Brit Land	32
Control Secs.	5
Land Securities	44
MEPC	44
Mountleigh	14

Oils

Stock	p
Aviva Petm	5½
Brit Petroleum	28
Burmah Oil	52
Cedroy Petm	12
Gaelic Res.	4½
Premier	18
Shell	37
Tuskar Res.	10
Ultramar	31

Mines

Stock	p
Lonrho	20
RTZ	45

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £1050 per annum for each security.

FINANCIAL TIMES
Weekend May 5/May 6 1990

W German engineering union wins 35-hour week

By David Goodhart in Bonn

AFTER more than a decade of battle, I G Metall, the West German engineering union, yesterday won a 35-hour week for 4m workers in the metal and electrical industries.

The union has thus leapfrogged the recent deals won by groups of British workers and set a target for union negotiators throughout the industrialised world.

The union, which had been threatening to step up strike action in pursuit of its demand for an 8.5 per cent pay rise and a two-hour reduction in working time, has, however, had to accept a phase-in period of more than five years for the hours reduction.

In a deal reached early yesterday for the North Württemberg area, which is likely to be a model for the metal industry, the union won a 6 per cent pay rise over one year starting from June 1, supplemented by two special one-off payments amounting to DM450 (£162). West German inflation is running at just under 3 per cent.

The current working week of 37 hours, down from 40 hours in 1984, will be reduced to 36 hours on April 1 1993, and then to 35 hours on October 1 1995.

Mr Franz Steinkühler, head of the 2.6m strong union, greeted the breakthrough in negotiations as "an impressive victory without ifs or buts." But Mr Helmut Haussmann, the Economics Minister, said that the concession on shorter working time was "the wrong signal."

The package is likely to be endorsed by the union executive but may still run into difficulties with the national employers body which is meeting today.

The smaller, more militant, employers who dominate the organisation in the north and west may try and force a stand. The employers did, however, win some concessions. It was agreed that 18 per cent of the workers in a plant would be allowed to work a 40-hour week if they volunteered rto do so.

The employers also resisted union attempts to force a national reduction in overtime and ban on Saturday working.

The deal was more generous than the Government or the Bundesbank had wanted, but a 6 per cent pay element had been expected.

The five year phase-in of the 35-hour week is now likely to set the pattern for other big bargaining groups such as the printers, currently in dispute, and the chemical workers.

Manx Government to look again at investment bank's collapse

IoM bows to pressure over SIB

By Sue Stuart and Ian Hamilton Fazey

THE Isle of Man Government yesterday bowed to mounting pressure and agreed to the publication of two secret reports into the collapse of the Savings and Investment Bank in 1982 with £42m belonging to more than 3,000 depositors.

The island's executive council of ministers – the Cabinet – also decided to make a statement on Tuesday week in Tynwald, the Manx parliament, about compensating depositors for their losses.

Tynwald will then also be asked to request Sir Laurence New, the island's Lieutenant Governor – the Queen's representative as head of state of the self-governing Crown dependency – to set up an independent commission of inquiry.

It would examine the steps taken to investigate the bank's collapse and look into the procedures which led to the failed prosecution of those charged with criminal responsibility. The commission would report on whether action taken was adequate and timely.

The trial of eight owners, managers or agents of the bank facing 37 charges, including conspiracy, fraud and false accounting, was dismissed last week because of the eight-year delay in bringing the action.

The two secret reports, which are severely critical of the role of the Manx Government of 1982 and some of its officials, were central to defence submissions about unacceptable delays.

Parts read in court revealed that there were no proper systems for controlling and policing the banking sector and that there was "sloppy day to day administration." Quarterly returns had shown the bank to be insolvent in February 1981, but the Manx Treasury did nothing.

The trial was the first public airing of the criticisms and there have been growing demands since for full disclosure of the reports' contents.

The Government is free to publish one report – by the Bank of England into the way the island supervised its finance industry – because it is its own property.

The second report belongs to the Manx High Court and is by inspectors appointed in 1982 to investigate the affairs of the bank after initial inquiries had revealed prima facie evidence of criminal offences. In the absence of a fraud squad on the island, it was the basis for the prosecutions after help had been sought in 1986 from the London metropolitan police.

The Manx Government now has to apply to the High Court to release the report for publication.

A decision to offer *ex gratia* compensation to depositors would defuse their political impact. Mr Thomas Field-Fisher QC, the acting deemster (judge) brought in from the UK to try the case, recommended the Government use some of the money saved by not having a trial for compensation.

Since the bank collapsed, the Isle of Man has set up a Financial Supervision Commission staffed by professionals which has largely restored confidence in the island's now fast-growing financial sector.

Three Graces to stay as export licence refused

By Antony Thorncroft

THE Three Graces statue is to stay in Britain. At the same time the policy under which important works of art can be retained in the UK is being radically changed.

Mr Nicholas Ridley, the Trade and Industry Secretary, announced yesterday that he has refused to grant an export licence for the classical statue carved around 1817 by the Italian sculptor Canova for the 6th Duke of Bedford.

This does not prevent the current owners, a Cayman Islands investment company, which had negotiated to sell it to the J. Paul Getty Museum in Malibu, California for £7.6m, from re-applying for an export licence. But one is unlikely to be granted, at least in the near future.

Mr Ridley is also introducing a new policy for retaining works of art in the UK. Until now items considered to be essential for the national heritage were always secured through a successful appeal organised by a museum or art gallery which matched the sum paid by a potential exporter. The work of art then went on public display.

In future a private source can make a matching offer and secure the object with no certainty that it will be on view to the public.

The change in policy follows a matching offer of £7.6m by the Barclay twins, David and Frederick, the reclusive Scottish hoteliers and businessmen, for The Three Graces.

They have agreed that if their bid is accepted by the current owners they will lend the statue to the Victoria & Albert Museum in London for 20 years. Yesterday they extended this period to 25 years.

An alternative bid was proposed by Mr Jacob Rothschild but this was dependent on the Treasury accepting that the cost could be set against the capital taxes owed on the estate of his aunt, who died in 1988 leaving property in excess of £90m. The Treasury was opposed to setting such a precedent.

The current owners have been unwilling to accept the Barclay offer, but with little chance of a change in Government policy in the near future they may be forced to make a deal. The alternative is to hold on to The Three Graces for some years; get a new, and higher, valuation; and then apply for an export licence in the expectation that no one could raise a matching sum.

The arts world is happy that Mr Ridley has acted to keep The Three Graces in the UK but worried by the implications of the new policy.

In future any British bidders might secure a national treasure from a potential exporter, keep it hidden away and then, after a few years, apply themselves for an export licence. British museums and galleries, with total annual purchasing grants of £13m, are unable to compete in the auction room market place where masterpieces can now sell for up to £30m.

A quick test of the new regulations is likely with the Badminton Cabinet. This was made for the Dukes of Beaufort in the early 18th century in Florence and is a rare and elaborate baroque item.

It was offered by the current Duke to the Victoria & Albert Museum for £4m. The price was way beyond the resources of the museum and it is now to be sold at Christie's in July. If it is bought by a foreign buyer the heritage lobby might well campaign to keep it in the UK and the Ridley proposals would be quickly tested.

The Three Graces, carved by Canova for the 6th Duke of Bedford, priced at £7.6m

Saatchi dismisses two senior directors

By Raymond Snoddy

MR Robert Louis-Dreyfus, chief executive of Saatchi & Saatchi, yesterday dismissed two directors who had held out against his plans to restructure the communications group.

Mr Roy Warman and Mr Terry Bannister, joint chief executive officers of the group's communications division linking everything from advertising to public relations and marketing, both had their contracts terminated with immediate effect by a boardroom vote.

Mr Warman, who like Mr Bannister earned £345,000 a year until a recent "voluntary" 20 per cent pay cut, said last night: "We are clearly very sad to be going but very proud of what we leave behind."

Mr Warman, 41, joined Charles and Maurice Saatchi three months after the company was set up in 1971. He had been working for the brothers for three months while still at another agency.

Mr Bannister, 44, joined the company two years later.

"No-one more embodied the spirit and ethos of the agency than those two," said one Saatchi executive, who asked not to be named.

The argument between Mr Louis-Dreyfus, brought in to bring a "fresh approach" to the troubled company, and his two fellow directors, has been going on for weeks. Mr Louis-Dreyfus wanted to return the advertising managerial skills back to the individual divisions.

Mr Warman and Mr Bannister believed passionately that it was vital to keep those with operational advertising experience at the heart of central management.

The restructuring would have meant that the two directors would have had only about one third of their present responsibilities.

Mr Louis-Dreyfus said yesterday: "I am sorry to see them go, but following the decision to re-deploy as much of the central talent as possible within the operations, no role could be found for Roy and Terry which satisfied them."

Mr Jeremy Sinclair, currently the group deputy chairman, will take responsibility for Saatchi & Saatchi Advertising Worldwide, one of the two Saatchi networks.

Mr Warman and Mr Bannister were brought together as joint chief executives nine years ago after Mr Tim Bell brought in management psychologists to find his replacement before he left to join Lowe Howard Spink, another large UK-based advertising agency.

The two men were seen as possessing complementary skills.

The more action-orientated Mr Warman was responsible for media buying and planning, and the more analytical Mr Bannister looked after marketing and accounts. They had worked closely together until yesterday afternoon.

After nearly two decades of growth Saatchi & Saatchi plunged into problems last year, and in November the company announced a fall in pre-tax profits to £61.3m in the year to September – an overall loss of £58.5m after tax, exceptional and extraordinary items.

Another long-standing Saatchi director resigned in November a few days before the publication of the end-of-year results.

One of them, Mr David Perring, had been with the company since its early days as a small London advertising agency.

THE LEX COLUMN

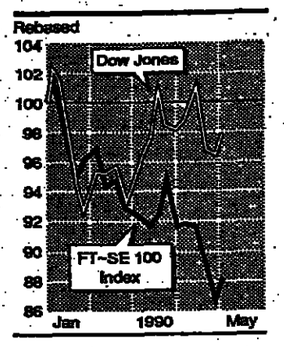
Not a taxing poll for the market

It has been a sunny week for the London equity market, but not before time. Last week was characterised by lousy trade figures and the Midland Bank profit warning. This week saw heartening figures from ICI and a not wholly awful result for the Conservatives in the local elections. After a brief dip below 2,100 on Monday, the market was plainly looking for reasons to correct an oversold position. But the FT-SE is still down 25 points over the fortnight; and next week could see a reversion to gloom, depending on whether the UK inflation figure is above or below the magic figure of 10 per cent.

Below the surface, there is a tussle going on at the individual stock level. The two worst hit sectors, leisure and property, both cracked badly two months ago. Ten days ago, some started to recover sharply: Brent Walker and Carlton Communications, for instance, are up 16 per cent and 12 per cent respectively (though still down heavily over the longer period). Others are still sliding: Mecca, down 60 per cent over two months and Speyhawk, which had halved by yesterday morning and then fell a further 25 per cent on the day. Other disasters yesterday included the property company London and Metropolitan – down 20 per cent – and the tiny building contractor Stanley Miller, down 60 per cent and then suspended.

All this goes to show that in terms of valuation, the domestic corporate sector is still trying to find bottom. ICI's results were the more welcome as a reminder that the overseas earners are still holding up, even in supposedly cyclical industries. The international market context has also been helpful lately, with world bond markets stabilising and Wall Street, Tokyo and Frankfurt all up on the week. But next week the domestic inflation data could be crucial. If a figure above 10 per cent is taken to mean double figure pay settlements, 12 per cent long gilt yields could be here to stay. If so, equities cannot make headway either.

FT Index rose 20.2 to 1,696.8



US interest rates

The international interest rate environment is looking a touch healthier than a fortnight ago. Yesterday's rather weak US employment data for April was enough to defuse the growing fears of an early tightening in US monetary policy, while the news of the IG-Metall agreement is likely to take the pressure off West German interest rates.

The US financial system is in a delicate state and the Federal Reserve is right to be nervous about the consequences for its highly leveraged flock of any further rises in interest rates. But with US government bond yields rising above 9 per cent, and growing signs that US inflation is continuing to rise, the bond markets are all too aware of the Fed's dilemma. The weaker than expected employment figures may have delayed an early tightening, but the international investor response to next week's US Treasury quarterly refunding could prove a tougher test for the bond markets. It is far from clear that the next move in US interest rates is downwards.

TST/Target

Selling life assurance in Britain used to be a licence to print money. No wonder the banks have been elbowing their way into the market. But TSB's problems with Target, the unit-linked life insurer it bought for £220m in 1987, may be a sign that times have changed. A victim first of Black Monday, then of shaky distribution, tax changes, and some unwise lending, Target could fetch significantly less in the auction which TSB started yesterday. And this from a company with a go-go image in the early-to-mid 1980s when it made its top executives rich men. The story suggests that in the 1990s, the life assurance business is getting hairier.

TSB's 1987 offer document quoted £53m as Target's appraisal value, meaning net assets, plus the value of the policies on its books. The £167m of goodwill which TSB then paid presumably reflected the pre-crash dogma that financial companies could only go up in value; and the fact that life assurance and pensions sales were booming as never before.

But things were not really so simple. A huge amount of capital has been thrown into the UK life assurance industry in the last few years by domestic and foreign insurers wanting to build market share. The smarter players like Allied Dunbar, the big daddy of unit-linked life assurance, had secured their future by stoking up their direct sales forces. But it is no surprise to see weaker ones feeling the squeeze and control of the market passing to the big battalions.

Camford

Sir Ron Brierley has been rebuffed by Vickers and Sir James Goldsmith has lost out to BAT. But it would be wrong to assume that the era of the break-up bid for well-managed manufacturing companies is a thing of the past. Camford Engineering is not a household name but it has a strong balance sheet, a good profit record and is about to be taken over by Markheath Securities, an Australian-controlled property developer which is half Camford's size and whose shares yield 13.5 per cent.

Valuing Camford's substantial property assets is unusually difficult in the present climate. Even so, the basic manufacturing business is being bought at little more than 10 times prospective earnings. Camford has provided its shareholders with a compound rate of return of over 20 per cent per annum for more than a decade and has good prospects. It is not only the famous names of British industry which deserve the long-term support of their institutional shareholders.

Thatcher's record

When Mrs Thatcher took power 11 years ago, the Labour Government bequeathed her 10.4 per cent inflation, unemployment of 1.3m, a current account deficit of 2.5 per cent of GDP, long gilt yields of 11.7 per cent, a dollar/sterling rate of $2.06 and an FT All-Share Index of 280. Were Mr Kinnock to take over tomorrow, he would inherit inflation of 8.1 per cent (going on 10 per cent), unemployment of 1.6m, a current account deficit of 4 per cent of GDP, long gilt yields of 12 per cent and a dollar/sterling rate of $1.66. But the FT All-Share index has climbed to 1,068, which doubtless explains why the market prefers Tory administrations.

CHIEF PRICE CHANGES YESTERDAY

FRANKFURT (Dm)			
Rises			
BMW	616	+	12
Deutsche Bk	805	+	21.5
Hochtief	1420	+	90
Metallgesell	660	+	31
Varta	433	+	11
Falls			
Badenwerk	252	–	4
NEW YORK ($)			
Rises			
Coca-Cola	78 1/8	+	1/8
Dillard Dept.	74 7/8	+	1 5/8
Wal-Mart Stores	50 1/8	+	3/8
Falls			
Kemper	34 3/4	–	7/8
Prime Motors	7 1/8	–	5/8
Tambrands	81 1/2	–	1 1/2
PARIS (FFrs)			
Rises			
Bancaire Cie.	650	+	23
Coparex	585	+	20
Hachette	480	+	25
Falls			
Eurafrance	2210	–	55
Industrielle	7850	–	220
Promodes	4220	–	80
Uniball	927	–	18

New York prices as at 12.30pm. Tokyo closed.

LONDON (Pence)			
Rises			
BET	218	+	8
BTR	389	+	5
British Vita	172	+	6
Granada	235	+	5
Heywood Wills.	282	+	4
Rank Org.	772	+	7
Regal Hotels	68	+	5
Reuters	1124	+	26
Rolls-Royce	199 1/2	+	5
Storehouse	105	+	4
Trafalgar	641	+	7
Williams Hldgs.	251	+	4
Falls			
British Airways	193	–	2
Chiltern Radio	163	–	10
London & Met.	65	–	16
Radio City "A"	373	–	12
Rockfort Grp.	17	–	6
Rosehaugh	225	–	9
Speyhawk	108	–	36
Wellcome	646	–	9

WORLDWIDE WEATHER

		Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	21	70	Dallas †	S	11	52	Madeira	C	20	68	Prague	S	22	72
Algiers	F	23	73	Dublin	S	20	68	Madrid	F	21	70	Reykjavik	R	2	36
Amsterdam	S	24	75	Dubrovnik	S	18	64	Majorca	F	23	73	Rhodes	S	15	59
Athens	S	18	64	Edinburgh	S	21	70	Malaga	S	19	66	Rio d'Janeiro		–	–
Bahrain	S	29	84	Faro	S	22	72	Malta	S	20	68	Rome	S	20	68
Barcelona	S	21	70	Florence	S	24	75	Manchester	S	24	75	Salzburg	S	20	68
Belfast	S	20	68	Frankfurt	S	24	75	Melbourne	S	24	75	S'Francisco †	S	10	50
Belgrade	S	19	66	Geneva	S	20	68	Mexico City		–	–	Santiago		–	–
Berlin	S	23	73	Gibraltar	C	18	65	Miami †	F	26	79	Seoul	C	12	54
Biarritz	S	22	72	Glasgow	S	22	72	Milan	S	22	72	Singapore	F	27	79
Birmingham	S	24	75	Guernsey	S	21	70	Montreal †	S	9	48	Stockholm	S	21	70
Blackpool	S	25	77	Helsinki	S	15	59	Moscow	C	12	54	Strasbourg	S	23	73
Bombay	F	32	90	Hong Kong	C	23	73	Munich	S	20	68	Sydney	S	23	73
Bordeaux	S	24	75	Innsbruck	S	22	72	Nairobi	F	25	77	Tangier	F	20	68
Boulogne	F	24	75	Inverness	S	22	72	Naples	S	22	72	Tel Aviv	F	21	70
Bristol	S	25	77	Isle of Man	S	17	63	Nassau		–	–	Tenerife	S	22	72
Brussels	S	23	73	Istanbul	R	10	50	Newcastle	S	23	73	Tokyo		–	–
Buenos Aires		–	–	Jersey	S	23	73	New Delhi	S	33	91	Toronto †	C	7	45
Budapest	S	17	63	Johannesburg	F	16	61	New York †	C	14	57	Tunis	F	23	73
Cairo	S	25	77	Las Palmas	S	22	72	Nice	S	21	70	Valencia	S	20	68
Cape Town	F	19	66	Leeds	S	25	77	Nicosia	S	18	64	Venice	S	23	73
Cardiff	S	25	77	Lisbon	S	22	72	Oporto	S	24	75	Vienna	S	21	70
Chicago †	Sn	8	46	Locarno	F	22	72	Oslo	S	23	73	Warsaw	S	24	75
Cologne	S	24	75	London	S	25	77	Paris	S	23	73	Washington †	C	14	57
Copenhagen	S	18	64	Los Angeles †	S	14	57	Peking		–	–	Wellington	C	18	65
Corfu	S	20	68	Luxembourg	S	23	73	Perth	C	18	64	Zurich	S	19	66

C–Cloudy. Dr–Drizzle. F–Fair. Fg–Fog. H–Hail. R–Rain. S–Sunny. Sl–Sleet. Sn–Snow. T–Thunder.
† Noon GMT temperatures

Election

Continued from Page 1

Conservatives councillors – holding 2,700 of the 5,000 seats contested, against the Tories' 1,350.

Its less impressive performance in London – where it lost control of Brent and Ealing – was reflected in estimates showing that the overall swing to Labour in the capital of about 5 per cent, compared to a national swing of about 11 per cent.

The Government focused on Wandsworth and Westminster, in which the poll tax levels of £148 and £198 respectively are the lowest in England, and which delivered massively-increased majorities for the Conservatives.

Mr Kinnock, however, could claim that in spite of a poor performance in London – attributed in part to the "loony left" image of some councils – Labour's gains had re-established it firmly in parts of the south-east which will be crucial in deciding the general election.

It had also taken control of Bradford, the third of the Conservatives' "jewels."

As Mrs Thatcher made the expected switch of Mr Michael Portillo from the Transport Department to the job of Minister for Local Government as part of a minor ministerial reshuffle, ministers conceded that the Government's troubles had not ended.

Official figures due next Friday are expected to show that the annual inflation rate jumped to about 10 per cent last month, which will provide a further test of the nerve of both Tory backbench MPs and financial markets.

There were signs, however, of a concerted effort by ministers to use the less-than-disastrous performance in the local elections as a basis to snuff out the recent intense speculation about Mrs Thatcher's leadership.

Sir Geoffrey Howe, Deputy Prime Minister, said the results had consolidated Mrs Thatcher's position, while Mr Kenneth Baker, Party Chairman, also dismissed suggestions that she might stand down.

For her part, the Prime Minister insisted that the results in Wandsworth and Westminster had shown that the community charge "is beginning to work." The charge would increasingly bring to book profligate councils and demonstrate that the responsibility for high bills lay with the local authorities rather than the Government.

Her comments strengthened the conviction of senior ministers that the results of the present Cabinet-level review of the poll tax would concentrate on changes in the grants system and on extra financial resources for poll tax rebates rather than on any significant structural changes.

Much of the detail of the review will be in the hands of Mr Portillo, whose appointment yesterday followed the previously announced retirement from the Cabinet of Mr Peter Walker, the Welsh Secretary. His place was taken by Mr David Hunt, the former local government minister.

Mr Kinnock, however, still sees the poll tax as "an electoral millstone" for the Tories. He said yesterday that: "The Tories won't do the one thing to get the poll tax right which is to get rid of it. It is a flat-rate tax and so long as that principle is there the poll tax will always be wrong and always be a minus for them."

SEATS GAINED & LOST

Party	Gains	Losses
Con	165	356
Lab	436	136
SLD	144	192
SDP	5	30
Ind	26	57
Other	25	30

With results declared by 200 authorities.

Total seats being contested: 5,198 in 201 local authorities.

Weekend FT

SECTION II

Weekend May 5/May 6, 1990

James Hamilton

Left: This man is fighting famine. Elsewhere in Ethiopia they are just fighting

Scorched earth: starved bodies

***Mary Anne Fitzgerald** on how a trickle of relief reaches Ethiopia's hungry in spite of war and political wrangling*

A THIN WOMAN stood tilling a tiny vegetable patch at a health clinic in northern Ethiopia. Debilitated by dysentery and lack of food, she stopped every few minutes to recoup her strength. As she sat on a stone to catch her breath, 2 MiG fighter jets from the Ethiopian airforce screamed overhead. The pilots dipped their wings to take a closer look at the large white tent nearby. It had been donated by the European Community as shelter for relief food, but it was empty. Its only use was as a bullseye for marauding bombers like these.

The aircraft circled a second time. It was a bad sign. From experience the woman knew that two circuits were often the prelude to an aerial attack. "They're going to drop something," said Sister Bernadette, a clinic nurse.

Involuntarily the woman clasped the nun's hand. She tried to control her fear but could not, knowing it was useless to seek shelter. She had seen Ethiopian peasants pulverised to unrecognisable pieces of flesh by high explosive bombs. She had also watched MiGs relentlessly attack and destroy a wheat convoy destined for the starving people of Tigray Province.

That day, however, providence and timing was on their side. Clinic workers had been about to load a dying mother into a car. If the fighter jets had flown over minutes later, the pilots would almost certainly have destroyed this easy target. The pregnant woman, in her fifth day of labour, had been brought in that morning on a stretcher. In better times, assistance would have been sought sooner. But the journey involved carrying the sick woman for four hours over steep mountain tracks. When you are weak from hunger, the dilemma of survival provides difficult choices.

Tigray Province is in the grip of a famine induced by drought and war. There has been limited response to the crisis. Reaction has been dulled by compassion fatigue.

"We gave in 1984. What's the point in helping if they're going to keep on dying?" is a common response to news of this latest catastrophe. The unwritten rule is that once we have delved into our pockets to resolve a problem, it should not recur. But the complicated design of politics intertwined with the weather is not given to tidy resolutions. Last year the rains failed, blighting 90 per cent of the crops in some areas of Tigray. Hunger has settled over the countryside. Aid officials have put the number of people at risk from starvation at 2.2m.

Normally, this would not have evolved into a major catastrophe. Peasant farmers, accustomed to a cyclical pattern of drought followed by abundant rain, have learned to set aside harvest surplus in expectation of lean years.

Circumstances, however, are not normal. The Tigrayan People's Liberation Front has been rebelling for 15 years against a systematic oppression perpetrated by a Marxist government led by Mengistu Haile Mariam. About 18 months ago, it erupted into a full-scale war. The TPLF front line, where heavy artillery shells arc from hillside to hillside and the mortality rate runs into tens of thousands, is less than 200 miles from the capital of Addis Ababa.

Until the army was driven from Tigray Province in February 1989, Mengistu responded to the insurgency with a scorched earth policy. Troops roamed the central highlands deliberately butchering plow oxen and destroying farm tools. They set fire to fields of ripening sorghum and barley and burnt the grain stored in huts.

It is difficult to keep your house in order in the midst of such anarchy. In some small measure I understand the Tigrayans' determination to end the treadmill of deprivation and terror. I know how they feel because the frightened, tired woman in the nuns' vegetable garden was me. I was travelling through Tigray to see what happened to the pennies and pounds that the likes of us have given to help assuage this latest Ethiopian disaster.

Public attention was first drawn to the famine last November when newsmen *Michael Buerk and Mohamed Amin of the* BBC visited Tigray for 16 days, bringing back footage of malnourished children and MiG jets hunting food convoys. The three-part news story was aired on BBC TV the week after their return. But the first thing the two men did was to show pop singer Bob Geldof their film. Geldof relaunched the song "Do They Know It's Christmas" that was instrumental in raising so much money to staunch the 1984-85 famine. It reached the top of the charts and proceeds from the sales were given to the Disasters Emergency Committee which had already been established in early December. It is a consortium of five British charities – Oxfam, Save the Children Fund, CAFOD (Catholic Fund for Overseas Development), Christian Aid and the British Red Cross.

An appeal was launched through BBC and ITN television, followed by newspaper advertising. On the first night the appeal was broadcast, about £95,000 came in on 100 phone lines during the first 90 minutes. The response gained momentum on the second night with just under £300,000 being pledged. In all, the British public donated more than £9.9m. "It would have been difficult to launch an appeal if there hadn't been any media coverage. The public has to be aware before it can respond. *There's no doubt the BBC films helped,*" says Penny Jenden of Band Aid.

With the traditional routes of access into Tigray from the ports of Massawa and Assab sealed off by heavy fighting, it was obvious that alternative ways to move emergency supplies would have to be used. The Disasters Emergency Committee turned its attention to REST, the rebel-run Relief Society of Tigray. Although REST was virtually unknown to the outside world, aid workers knew that it worked efficiently and tirelessly to transport and distribute food. The organisation was also running an excellent programme for soil and water conservation that mobilised thousands of farmers to dig drainage ditches and plant trees.

REST and aid agencies had warned of the impending famine as early as August 1989. Some two thirds of the crop deficit had been caused by war, REST claimed. The British response was a welcome addition to food already pledged by USAID (United States Agency for International Development) and the European Community. The agency reckoned it could handle about 40 per cent of the 393,000 tons of food needed until the next harvest at the end of the year. REST already had 16,000 tons while another 76,000 had been pledged by donors. If the other 60 per cent *at risk were to be fed, another 394 trucks* would have to be found from somewhere. There was still a long way to go.

The scene moves to a spartan office in a dusty street in Khartoum, the capital of Sudan. The Emergency Relief Desk, a consortium of European church-run aid organisations, is one of the agencies that monitors the delivery of donor food. REST's relief operation is a two-pronged offensive. Food that has been shipped to Port Sudan is trucked across the Ethiopian border into the heart of Tigray, a gruelling, 650-mile journey.

There are also 50,000 tons of grain available in western and southern Tigray where the harvest has been good. REST has asked for $18m (£11m) to purchase it, but so far only $4m has been pledged. As it is only a day's drive from distribution centres, the request makes sense. But donor governments are reluctant to contribute. They worry the cash will be used to buy arms for the war. This, by the way, is the reason the Ethiopian Government gives for its regular bombing attacks on convoys. Weapons are secreted beneath sacks of food, Ethiopian officials claim. It is an accusation that is almost impossible to prove or disprove.

It is late January, and ERD's Simone Wolken is despairing at the paucity of vehicles. She is also wondering what has happened to the emergency committee's money. "We have been crying for trucks for half a year. No action has been taken that changes the picture tremendously," she says.

Inside Tigray the commitment, desperation and routine hard slog, integral components of any rescue programme, are sharply etched. The passage from the Sudanese border is beset with land mines and ambushes.

Before dawn caravans of battered trucks are already nestled under thorn trees, covered with torn sacks and tarpaulins to escape detection from the air.

Most of the food is distributed in towns under cover of darkness. Occasionally, remote mountain locations are considered safe from patrolling MiGs and distribution is done in the day. Hundreds of white-robed men and women wait silently on stony hillsides. They have come to receive rations that allow 500 grams a day for adults and 250 grams for children from sacks concealed among the candelabra cactus. It takes two weeks to bring in 800 tons of grain by night. It will take another week to share it out among 80,000 patient recipients.

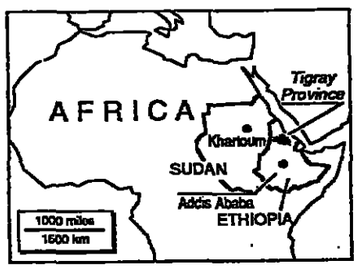
In spite of scenes like these, assistance from the international community is still not enough even though the emergency committee's money entered the system in February. REST has the capacity to transport 13,000 tons of food each month, but the pipeline is shrinking. More than 10,000 tons were handled in December. By February, as death stalked the land, the volume had been halved, although the flow picked up again in March.

By April, the race against time has become critical. Enough food has been committed to last until the rains begin in June. But additional food is needed to tide people over during the two months that the roads are virtually impassable.

In some communities one fifth of the people have already died. Houses stand empty and graveyards are filling up. There are orphaned families where children of seven roam the countryside in search of bitter wild grasses to feed their younger siblings. Worse still, REST officials are encountering hostility. REST field co-ordinator Teklewoini Assefa, an indefatigable worker, has persuaded farmers to stay on their land so they can plant seeds after the rains. But his assurances that help is on its way are wearing thin. There is a look of betrayal in the people's still eyes.

REST officials feel betrayed too. In March the Government agreed to a ceasefire that would allow access for food convoys from the southern port of Assab. By Easter only 3,300 tons of food had been trucked across enemy lines but none of it had reached as far north as Tigray. Even if the southern corridor attains its target of moving 100,000 tons by December, this is only one quarter of what is needed. The programme is pitted with problems – blown up bridges, inadequate petrol rations from the government, the threat of renewed outbreaks of fighting.

In March Lynda Chalker, UK Minister for Overseas Development, announced that Britain would give £8.5m towards gearing up the southern route. Appeals from REST, however, have fallen on stony ground. Chalker circulated a letter to MPs discouraging the notion of pledging money for the internal purchase of grain. Her objection is that the monitoring system is inadequate. Aid officials who work with REST disagree. They point out that every



500 grams distributed is noted and accounted for.

"I'm absolutely convinced that the internal programme is the main factor for keeping the people on their land and alive," says Stephen King, a CAFOD official who has just returned from Tigray.

But there are glimmers of hope. Another $4.5m for the internal purchase of grain has appeared from the coffers of non-governmental aid agencies. And another *10,000 tons of grain has been located* within Tigray. USAID has promised $6m to buy it. Oxfam and Save the Children Fund have committed 53 new trucks.

However, the combined pledges of emergency rations still only amount to a tenth of the 340,000 tons still needed.

The British Government denies accusations from aid organisations thatit has confused humanitarian needs with political ones. The Overseas Development Agency says that in March Lynda Chalker raised the question of cross-border food supplies with Mengistu. It says Britain has been providing food in two different ways – from Tigray and across the border from Sudan. The agency added: "The issue has been how best to get food in and that's the issue we've been addressing."

Unfortunately all this is of little solace to those who are still dying of hunger.

The Long View

Beware those cold-calls from abroad

"*WEALTH warning: disreputable share pushers can damage your wealth.*" Some time ago, a kind reader sent me a strip of bright red stickers carrying this message, which was printed for him after some unfortunate and impoverishing personal experiences. One of the stickers is attached to my office door. You can't be too careful.

A number of recent developments have brought these share-pushing risks to mind. Curiously, there are moves to reduce the protection being offered to investors in various respects, even though the overall level of regulation of financial services is often portrayed as suffocating. And while there are excellent reasons for these relaxations, it is always vital to be aware of the loopholes that *may be created.*

They will not be misused by the pillars of commercial society, which are the first to exploit the new opportunities. But more cunning operators are always waiting for their chances and will take advantage of whatever plausible *cover is available* – whether, say, it is wider share ownership, the motivation of executives, or the need for industrial investment. If it can be presented as a "Government scheme," so much the better.

What are the recent changes? Listed companies have been permitted for several years to buy back their own shares through the stock market and ICI, for instance, has just asked its shareholders for permission in principle. Companies are subject to strict rules but, nevertheless, there is an implication that they may be able to support their share price.

More recently, companies have begun to take seriously the question of direct share promotion through corporate personal equity plans and savings schemes, an area that British Aerospace entered this week. There is limited but growing interest in employee share ownership plans (ESOPs) and profit-sharing schemes that involve buying shares through the stock market. Finally, the Securities and Investments Board appears ready to relax the curbs which prevent investment trust savings schemes from being marketed as aggressively as, for instance, unit trusts.

Comparatively few companies are taking advantage of any of these possibilities so far. But a lot more are studying such developments. The common thread is the undermining of the barriers to corporate share promotion imposed in legislation such as the Companies Act 1929 and the subsequent Prevention of Fraud (Investments) Act.

Of course, in general terms, support of a company's share price by the company remains illegal under Section 151 of the Companies Act 1985, which is what the Guinness trial is basically *all about. But there is* some distinct blurring at the edges. This is potentially dangerous. There was a flood of share-pushing scandals in the 1920s, leading to the investor

BARRY RILEY

Aggressive pushing *of individual* shares has been excluded from the UK savings market for decades, but investors may need to become a little more streetwise

protection legislation of the 1930s. People remain just as vulnerable today, and the increasing cheapness of international telephoning has led to periodic "boiler room" problems as teams of fraudsters attempt to by-pass national anti-pushing laws by dialling from abroad. It seems unbelievable that people can be cold-called and persuaded to send large sums to Antwerp, Geneva, Cyprus or some ever more distant hideaway, but it happens.

Usually, the scam is based upon some slightly glamorous concept – an airline, say, a gold mine or a technological breakthrough. It is about to be licensed or listed, and the value of the shares is certain to rise. Meanwhile, a limited line of stock just happens to have become available at a discount, for a few days only. The story is told by charming and plausible people.

Nothing much changes, and Britain's curbs on company promotion to investors are based on the need to suppress such frauds 60 and more years ago. Companies have been able to sell "off the page" only through elaborate prospectuses, and cold-calling rights have been restricted to salesmen acting on behalf of institutions selling regulated collective products (notably, life assurance).

Where things differ compared with 1930, however, is that decades of marketing and tax privileges have increased greatly the proportion of listed companies owned by institutions. Inflation has contributed, too: life companies and pension funds once were quite happy to put nearly all their money into fixed income securities but most of their cash flow goes into equities these days. So, private investors now own directly less than 20 per cent of the typical listed company.

Companies have had to rely on the limited marketing talents of the Stock Exchange and its broking members. These have had a dwindling impact on the retail savings market, and the Stock Exchange community has turned its focus progressively on the institutions. Many companies are alarmed at the consequences of exposure to what often has turned out to be the fickle proprietorship of fund managers.

Listed plcs have, therefore, become more and more determined to carry out their own *share marketing.* Coincidentally, the Conservative Government – with primarily political motives in mind – has anxiously sought ways in which "popular capitalism" could be promoted. Thus, the climate has been in favour of erosion of some of the long-standing taboos.

The risks in all this may not become apparent until after the event. But I note, for example, that BAe's corporate PEP scheme can be based either on existing shares or on newly-issued ones. The company will decide from time to time "in the best interests of shareholders as a whole." I am not worried about BAe's judgment, but how would Aero-Mining Technologies plc respond to the opportunity to nudge its share price one way or the other?

Perhaps a rise in risk is inevitable if companies are given more direct access to the stock market, at the expense of the more easily regulated institutions. Capitalism is tough on the gullible. We could all be in need of some little red stickers.

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Private investors and the battle for Globe

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Minding Your Own Business

Paul Tapscott lists the seven golden rules on how to reduce start-up risks for new businesses. Plus Nicholas Lander meets a couple who swapped the high-rises of Manhatten for Laura Ashley's former château in France. Page VI

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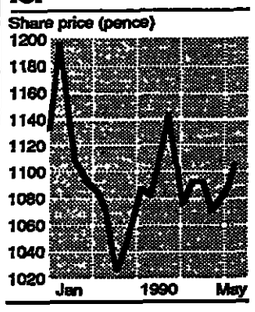
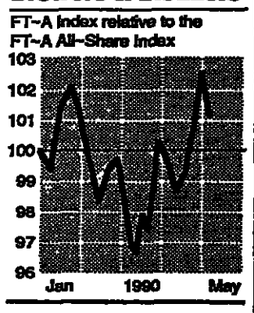
ICI



Brewers & Distillers



Profit gains at ICI lift stock market

Shares in ICI, still considered the bellwether stock of the London market, gained strength this week after the company reported first quarter profits above the most optimistic market expectations.

The shares were weak just ahead of the results as City analysts feared the weakening demand in chemicals worldwide would take its toll on the group's figures. In the event, profits for the three months to March 31 came to £414m, only 6 per cent lower than for the corresponding period a year earlier. Profits were particularly strong in pharmaceuticals and agrochemicals, offsetting falls in other sectors. The news not only lifted ICI but also pulled the FT-SE Index out of the doldrums on the day of the results. *Joel Kibazo*

Brewing sector buoyant

The staid brewing and distilling sector continued to show the rest of the market a clean pair of heels by reaching an all-time relative high on Monday. Earnings growth in the sector, at 12 to 15 per cent, comfortably outpaces the rest of British industry. Unfortunately, say analysts, this is largely because brewing leaders earn so much abroad: Guinness makes four-fifths of its money overseas and Grand Metropolitan about half.

The exception to the rule is Bass, whose fortunes have been based on across-the-board gains in market share in the UK, and is currently analysts' favourite short-term buy. Even Bass earns 20 per cent of profits outside the UK. *Daniel Green*

New PEPs on offer

THE River and Mercantile Investment Management Group has developed a range of Personal Equity Plans which offer savers the opportunity to invest in shares which normally produce either above average income or above average capital growth.

The PEPs are being tied mainly to the split level shares in the River and Mercantile Investment Trust. This is a specialised split capital trust in which the shares are divided into different categories, with one group channeling all the dividends of the trust, and the other all the capital growth.

R&M introduced two high income PEPs last year for investors who wanted high tax-free income. The yields on these stand at around 9.3 per cent and 11.4 per cent, although this figure is calculated before initial investment charges of 3¾ per cent, an annual management fee of one per cent, and a 0.25 per cent dealing charge for both share acquisitions and disposals.

The capital share plans offer the alternatives of investments linked to the capital shares of R&M trust, or a mixture of the trust shares and six blue chip companies. R&M is also to offer a regular monthly investment facility, tax free quarterly dividend withdrawals, and a system of partial withdrawals from PEPS. *Terry Dodsworth*

Properties up for auction

Anyone interested in buying property in the West Country should take a look at properties coming under the hammer on May 9 and 10 in auctions in Truro, Exeter, Barnstaple, and Bristol. Bristol & West Property Services, the estate agency arm of Bristol & West Building society, says it will be offering barn conversions, cottages, shops, restaurants, farmhouses, holiday homes and even a 35-bedroom hotel in Bude.

The star bargain of the sale is a two-up two-down cottage in France, in need of modernisation, which is going for a guide price of £2,500, though offers are already said to be coming in. The guide price for top-notch barn conversions in Somerset is £150,000 and cottages in Cornwall range from £35,000 to £100,000. The hotel in Bude will cost around £450,000 to whoever buys it.

Bristol & West says it will be happy to arrange mortgages for purchasers. They stress that none of these properties are repossessions: they have all come from estate agency customers in the usual way. *T D*

LONDON

Footsie ends week on a vote of confidence

"SO IT ALL turned out alright in the end," might stand as a first judgment on this week's performance by the stock market. An FT-SE Index which was set on testing 2,100 first thing on Monday morning, and did indeed trade well below that level for most of that day, rebounded with vigour as the week progressed.

After some initial hesitation yesterday morning the City appeared to be granting the local election results an increasingly warm welcome; the outcome gave a lift to an equity sector which has been overshadowed by political concerns for some time now.

The Footsie recovered by about 2.5 per cent over the week, leaving the dreaded 2,100 mark a safe 60 or so points behind. Certainly an impressive bounce by the market, but is this the upturn that the bulls claim will signal the birth of the New World, in which inflation and interest rates will be restored to their proper places?

From this bullish viewpoint, next week's Retail Price Index could turn out rather as did Labour's sweeping gains in the local elections; that is to say, largely discounted in the stock market and not nearly as bad as the worst fears. And then, having faced the darkest moments, the market can begin to look forward to better things as inflation begins to top out, interest rate pressures to soften and the Government's popularity to revive in time for the pre-election period.

In fact, this week's market may have offered more practical support for the optimists than mere daydreaming. The outcome of the local elections may have boosted market indices but yesterday's market uptick could well prove to be no more than a knee-jerk response. The wider question of what Labour's gains will mean on the wider political scale and whether the worries of non-UK investors over the future for Thatcherite economic policies have been put to rest may take more time to answer.

In fact, last week's revival got under way well before the local elections; indeed, the Footsie had regained more than 34 points while trading volumes were subdued ahead of the polls. It was better news on the corporate profits front, in direct contrast to the string of share suspensions, trading losses and virtual bankruptcies of previous weeks, that did the trick.

The main impetus came from the first quarter results at ICI, which pleased the market on almost every consideration. The somewhat old-fashioned tag of "market bellwether" once attached to ICI by the market seems to have been replaced by "Great Britain plc," a more aggressively complimentary term as well as a tribute to the determined and successful reshaping of the group over the past decade.

Pre-tax profits of £414m, down 6 per cent, for the first quarter of the year were substantially above market forecasts of £340m to £375m and attracted a host of accolades and buy recommendations from the big trading firms.

"The Q1 results were genuinely good," said Richard Henderson of Nomura Research Institute, drawing particular attention to the quality of earnings. He believes that ICI experienced a market change in general profit-trend between February and March, a point which could have wider implications for the rest of the equity market.

The chemicals team at Kleinwort Benson Securities took up the same theme, although adding the rider that there could be further outperformance by the shares "particularly if the market weakens further."

The ICI statement was the prime factor in stemming the slide in equities at the beginning of the week and setting the stage for the market's recovery over the next two trading sessions.

As ICI was hastening to the aid of the industrial share sectors, Royal Bank of Scotland was doing the same for the battered banking stocks. The bank's profits were below market expectations but the 20 per cent increase in the dividend reminded a number of securities houses of the reasons they were recommending bank stocks earlier this year, before the whole sector turned jittery over corporate loan books and Sir Kit McMahon threw the switches.

In a market still seeking a level at which dividend yields will prove an irrefutable argument for buying shares, the banking sector was widely recommended at the beginning of the year. This view has been shaken by the tremors in the construction and property sectors and, although there were no fresh horrors last week, it is unlikely that the banks' loan books have seen the worst yet. Friday afternoon resounded with talk of fresh troubles in the secondary property sector. However, the market took a calm view of increases in loan provisions at Royal Bank, which has a reputation for taking a prudent stance. LDC provisions — remember those? — were also lower than some analysts expected.

Despite the help from ICI and Royal Bank the market lacked genuine investment support. The advance in equities was largely led from the futures market and daily money value of equity trading has remained in the £600m to £700m range, which hardly indicates a confident market. The chart strategists still fear one last sell-off which could take equities down to the FT-SE 1,800 to 1,900 range, before establishing a base for a prolonged rally.

Nor is the near term view of the market strategists particularly encouraging. Paul Walton at Smith New Court, the UK securities house, is cutting his year-end forecast on the FT-SE Index to 2,400 and "acknowledges greater downside risk for the equity market. Below 2,050, there is little chart support until 1,850."

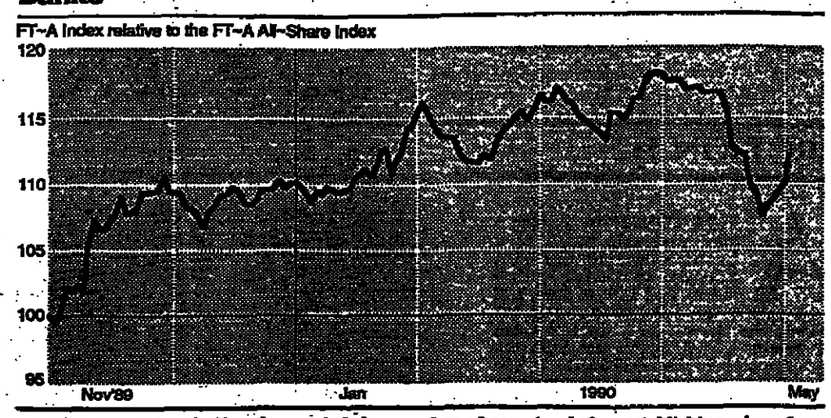
Kleinwort Benson continues to see danger for UK equities "which could take the FT-SE towards 2,000 within the next few months. Interest rates are unlikely to fall before next year's Budget and rises still cannot be ruled out."

Next week's economic highlight will be the RPI Index, on which there are few takers for an underlying annualised inflation figure much below 10 per cent. London will also be keeping a weather eye on the US data on employment and producer price and retail sales statistics. But the London market's significant testing will come from the domestic corporate reporting list.

The first quarter result from BP may have only limited impact on a market currently governed by domestic considerations; there could be a more deep-rooted response to the interim report from Trafalgar House which is nearer to some of the market's areas of sensitivity.

Terry Byland

Banks



HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1990 High	1990 Low	
FT-SE 100 Index	2162.2	+55.6	2463.7	2103.4	Local elections/company results
Abbey National	192	+13	198	172	Brokers' 'buy' recommendations
Allied Irish Banks	229	-20	282	229	$217m bid for US bank/IR£162m rights
Brent Walker	279	+38	378	234	Ahead of Wednesday's annual results
British Gas	202	+14	245	185½	Political worries overstated
Cont'l. Microwave	220	+75	230	130	Agreed bid from Pharos of Sweden
Ellis & Everard	183	-16	239	180	Rights issue
Heywood Williams	262	+30	268	224	Pilkington bid speculation
Higgs & Hill	314xd	-20½	466	314	YJ Lovell places 16% stake in market
Johnson Matthey	223	-36	349	222	Warning of lower profits
Klark-Teknik	56	-13	85	53	Bid talks end
Kwik Save	481	-33	594	458	Disappointing figs/competition fears
Lon & Metropolitan	65	-28	158	54	Broker's 'sell' recommendation
Racal Telecom	332	+17	415	308	SG Warburg 'buy' recommendation
Saatchi & Saatchi	107	+22	275	81	US buying uncovers bear positions

WALL STREET

Driving into the unknown

WILL THE real economic indicators please stand up?

A fresh broadside of contradictory economic statistics this week left Wall Street thoroughly confused about the pace of the economy's expansion and the outlook for inflation.

Yesterday's figures on April employment, an important measure of economic activity, were surprisingly low. Non-farm payrolls rose in the month by just 64,000, way below the 384,000 which analysts had been predicting. Moreover, there was a 0.2 percentage point increase in the civilian unemployment rate, the first rise for a year.

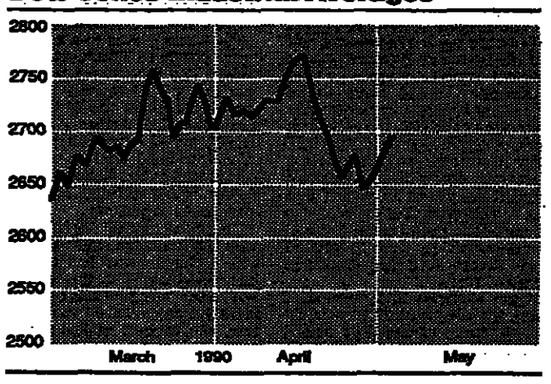
The figures pointed to much slower growth in the economy than recent statistics had indicated. Only last Tuesday a closely-watched measure of industrial strength, the National Association of Purchasing Managers' index, returned to a positive value after 11 months of decline with an upward jump well ahead of most expectations.

Yesterday's employment data prompted a sharp rally in bond prices. The yield on the benchmark 30-year Treasury issue, which had dipped below the pyschologically important 9 per cent level on Thursday, fell again — and much more convincingly. For the employment figures dispelled fears that the Federal Reserve would have to make an early move to raise short term interest rates to tighten the economy.

But while the employment figures are doubtless encouraging, the economic statistics of the past few weeks still leave a confusing picture of the strength of the economy. The equity market was less ebullient yesterday, fearing that the low employment figures could also signal a slower growth in profits.

Still, equities had shown modest advances in the first four trading days of the week on the back of technical factors and some modestly encouraging corporate news.

Dow Jones Industrial Averages



But volume remains light and lacking any real direction.

The Dow Jones Industrial Average is now trading right in the middle of the 250 point range, between 2550 and 2800, that it has occupied since January, and with nothing obvious on the horizon to change the sideways crawl.

The first quarter results season, which is just ending, produced only slightly more negative earnings surprises than positive ones. According to Zacks Investment Research there was an overall drop about 7.5 per cent in the earnings of large companies, and the figures fell some 3 per cent short of analysts' expectations. The second quarter should see a levelling off, or even a small rise in the profits trend, with Zacks forecasting an overall rise of 0.8 per cent in earnings.

The big three US car manufacturers rounded off the results season with a set of miserable but hardly surprising figures this week. Earnings of the biggest, General Motors, dropped 54 per cent (and the figure would have been larger but for an accounting adjustment), while Ford dropped by 69 per cent and Chrysler by 80 per cent compared with a year earlier. All three face tough competition from Japanese manufacturers in a depressed US market.

Dealers' inventories of unsold cars became so bloated in the first quarter that the manufacturers had to slash back production, while to encourage people to buy they are offering about $1,000 a car in sales incentives. It is questionable whether the manufacturers are making any money on their US vehicle operations.

GM made most of its first quarter profits from its European automobile operations and from financial service and electronics businesses. The lumbering giant of the US motor industry, whose market share collapsed in the 1980s, faces an uphill battle to persuade US drivers that its cars can be as reliable as Japanese models.Still, latest sales figures should give the company some comfort. In the first four months of the year it took 35.5 per cent of the domestic market, slightly better than in the same period of 1989.

Ford, generally regarded as the best-run US car manufacturer in the 1980s, saw its first quarter profits hit hard abroad as well as at home. Labour problems in the UK were one factor. Another was the draconian economic reforms in Brazil, where it has a large joint venture. Its US market share also dipped a percentage point in April, to 22 per cent, but a recovery is likely as it is on the point of new model launches.

The biggest question mark hangs over Chrysler, the smallest of the big three, which reported first quarter net income of just $71m dollars. Its automobile operations only earned $8m.

Chrysler, which has been going through a major restructuring, has seen its share price drop by some 20 per cent since January and while the first quarter figures were a pleasant surprise, its problems are far from over: April's figures showed its car and truck sales dropping by more than 30 per cent — far more than the drop in the overall market. The company says this is due in part to its retreat from unprofitable markets. But Lee Iacocca, the outspoken chairman who revived the company a decade ago, faces a tough task in his last year before retirement.

Monday	2616.76	+ 11.71
Tuesday	2668.92	+ 12.16
Wednesday	2689.64	+ 20.72
Thursday	2696.17	+ 6.53

Martin Dickson

JUNIOR MARKETS

A faller at the last

GETTING READY for market can be an expensive, tedious business. After months being overhauled by accountants and scrutinised by lawyers, companies still have to jump the Stock Exchange's hurdles and satisfy potential investors.

The frustration of stumbling at the last fence was this week experienced by DuBois, a video cassette box manufacturer. It cancelled its USM placing on Monday, largely as a result of the lack of institutional enthusiasm for small companies. The company is considering alternative measures of raising the funds. It needs to reduce borrowings, but it has not ruled out coming back to the market later this year if the outlook improves.

Its eleventh hour cancellation underlined the impoverished state of the new issue market this year. In the first three months of this year just five companies joined the USM, which is the lowest quarterly figure recorded in the last four years, according to statistics compiled by Peat Marwick.

DuBois is not alone in finding the going hard. Several other companies have had to withdraw when quite close to the market and many others have rethought their plans at an early stage.

One newcomer that still has some enthusiasm for the procedure, despite some delays and other setbacks, is Innovare, which is likely to join the USM next week.

Innovare is an example of a start-up venture, which this year have become eligible for the USM since the Third Market was closed to new entrants. As it has no track record, it has to undergo more rigorous scrutiny and make more undertakings than most.

Nonetheless John Stonor, its founding managing director, is positive about the exercise. For one thing, he is satisfied by the price tag — £7.7m — being attached to the company. "If we had gone to the venture capitalists, I suspect we would have had to give away more for less," he says.

He also says that the scrutiny by lawyers and the Stock Exchange gives the company credibility with its customers, especially in the US. Moreover he values the publicity associated with the flotation and thinks that as a quoted company, Innovare will be able to attract better quality staff.

Innovare has created a "Mosaic Display Screen System," which it hopes will take the advertising market by storm. It claims to be a more sophisticated version of the glittering, shifting displays that light up places such as Las Vegas and Piccadilly Circus. The technology is also cheaper,longer lasting and consumes less power than existing systems, it says.

The system is composed of a computer, a screen control system and the mosaic display screen. The screen, which is the size of a major advertisement poster, is a collection of modules containing liquid crystal displays, which are controlled for intensity and colour of light, by the computer. The light is provided by a low pressure mercury discharge lamp which excites rare earth phosphors bonded on to glass.

The virtue of the system is that it is programmable so that a moving advertising display can be created and changed at will. It is not unique in this. Japanese manufacturers produced similar technology nearly ten years ago which has been used extensively in sports stadiums. However Innovare says that its system is the cheapest on the market — at about £120,000 each — and its five year life span is five times as long as its rivals.

Innovare has developed a spin-off from this technology — an "animatic sign system". This is a non-programmable TV-sized screen which is illuminated through a new phosphor binding process, on to which the advertiser can copy artwork. The system, which is claimed to be brighter and clearer than existing methods and scores particularly well on price, is expected to be used for point-of-sale advertising and information displays.

The placing, which is being handled by Corporate Broking Services, is intended to raise £1.24m which will be spent on the group's production facilities and working capital. Existing investors which include Carlton Communications, are staying with the group.

Innovare is not the only newcomer to the USM. Intercare Group, a dental laboratory and optical business, moved up from the Third Market yesterday. This company, which aims to become a broadly-based health care group, combined its announcement with news of a £565,000 acquisition and a loss last year.

But even if the USM's ranks are being expanded by refugees from the Third Market, it is not clear that this will compensate for the departures from the USM. This week saw Clinton Cards, the greetings card company, announce its graduation to the main market. And Continental Microwave (Holdings) recommended a £15.8m bid from Nobel Industries of Sweden. Given the 17.5 per cent fall in the USM index this year, its seems that the USM is going into the summer in a rapidly shrinking form.

Vanessa Houlder

Company savings scheme to woo BAe workers

THE GROWING popularity of tax free corporate Personal Equity Plans (PEPs) was underscored this week by the launch of a new scheme at British Aerospace, one of the country's largest manufacturing companies. But equally important for the cause of the small shareholder was another innovative project unveiled alongside the PEP — a company savings and investment scheme that offers low dealing charges specially tailored for the private investor.

Both plans, says Professor Roland Smith, BAe's chairman, reflect the company's view that the high brokers' commissions are a big disincentive to small shareholders.

The PEP, for example, will have no initial charge, against around 3 per cent for conventional schemes and an annual fee of only 0.5 per cent (against a normal 1 per cent). The commission on sales and acquisition of shares for PEP investors will be just 0.25 per cent, and there will be a minimum purchase level of £20 a month or £240 a year.

The savings and investment scheme, operated by brokers Hoare Govett, and claimed to be the first at a large industrial company, will charge 1 per cent commission with no minimum figure. Most brokers offering cut price services at present charge around 1.65 per cent commission and have minimum charges of between £17.50 and £25.

Not all big companies these days are as keen on small shareholders as BAe, mainly because of the cost of servicing private investors with annual reports and so on. Nevertheless, some companies argue that individual savers have longer investment horizons and are more loyal in the event of takeovers than the big institutions. They are felt to be less likely to "churn" the shares, buying and selling incessantly.

BAe does not have to worry about takeover too much at present because of the golden share held by the Government. But the company's share price behaviour has been erratic since the Stock Market crash in 1987, and it is standing on a modest price earnings ratio today of just over six, well below the market average of around 10.

Some analysts argue that there are good grounds for the share price being where it is given the nature of BAe's business. The company is suffering, they say, from uncertainties over the future of defence contracting, questions about the prospects of the European Fighter Aircraft, and doubts over the Rover car manufacturing subsidiary.

BAe clearly believes, nevertheless, that its share price might benefit from encouraging small shareholders with the incentive to make long term commitments through PEPs or regular savings schemes. Introducing the two programmes this week, Dudley Eustace, the finance director, talked about "large and powerful institutions" which "dominate the play and the price" of the shares.

The company already has the base on which to develop a shareholder structure less dependent on the institutions, since it has inherited 110,000 ordinary investors from its privatisation. The problem is that many of these individuals are very small holders — 42 per cent have 100 shares or even fewer, the equivalent of a stake worth around £500m — and have not sought to increase their holdings since they acquired them in the Government's disposal. As a result, small shareholders currently account for only 7 per cent of the group's equity, a figure which Eustace would like to raise to 25 per cent.

There is little doubt that with the introduction of the PEP, BAe is running with the tide. British companies have launched 24 corporate PEPs, most of them run by CC&P, the group which is operating the BAe scheme, and they appear to be attractive to some investors: the Smith and Nephew plan, introduced last month, already has 6500 applicants.

For investors the schemes raise two main issues — are savers willing to make a long term commitment to a specific company; and to what degree are they likely to need access to their money. PEP investments are ideal for savings that can be put away and allowed to accumulate over the years, rolling up capital gains which can eventually be taken tax free. Some investors may think that the commitment of £6000 worth of funds, the maximum currently allowed annually by the Government, to a single company is too high a risk to take when there are a multitude of alternative PEP plans offering a spread of investments.

BAe's savings and investment plan, however, offers opportunities for private investors who want to hold the company's shares as part of a broader portfolio, or who may need access to their funds quickly. It should provide a particularly attractive dealing service for employees who own shares in the company and want to lodge these in the PEP.

The scheme, which allows lump sum investments of any size, or regular savings of £50 a month, will undoubtedly be watched with great interest by other industrial companies and Hoare Govett's rivals in the City. Hoare has already geared up to offer similar low-cost services to other big industrial companies; if the BAe scheme is a success, it could be the first of many.

Terry Dodsworth

FINANCE & THE FAMILY

Barry Riley reports on the investment trust industry's attempts to stop its flagship being taken over

Globe battles to keep its independence

THE INVESTMENT trust industry began pulling out all the stops this week as it tried to protect its flagship, the £1.1bn Globe Investment Trust, from being absorbed into the British Coal Pension Funds, which already have a 34 per cent holding. "If we were a life company, the Department of Trade and Industry would be all over the bid," complained Globe chairman David Hardy as he called for a reference to the Monopolies Commission. His justification was that such a bid by a nationalised industry pension fund was against the public interest.

"Privilege brings responsibility," thundered Philip Chappell, adviser to the Association of Investment Trust Companies. He is the mastermind behind a submission delivered to the Office of Fair Trading on Wednesday which claims that tax-sheltered pension funds should not become predators in the market economy.

For County NatWest's Robin Angus, the leading Edinburgh investment trust expert who has become a special adviser to Globe, the bid has assumed almost moral dimensions. "The Globe is a people's pension fund, essentially," he claimed this week. "This offer has aroused people's feelings in a way no other bid has done."

When Globe sent out a brief questionnaire to its 42,000 shareholders last weekend, as many as 6,000 replies poured in within five days. According to Globe, the swift response reflected the depth of anger over the unwanted takeover bid. On Thursday, however, the coal men moved to defuse the single biggest cause of anger – the fear that large numbers of private investors would have been forced to realise their investments in Globe for cash, triggering a substantial payment of capital gains tax.

The 191p cash offer remains in place, but Globe shareholders will be able to accept payment in two forms. They can take a loan note paying interest at the six-month money market rate (now 15% per cent) and with a five-year life, or they can switch into an entirely new index-tracking investment trust.

Shareholders should resist the attempts to whip up hysteria, and view the offer calmly. Many, probably most, will be content with the performance they have experienced from Globe. The giant fund nearly doubled its asset value per share over the past five years to March. But Globe has performed only in line with the average investment trust over five years and has lagged quite sharply behind the second-largest fund, Foreign & Colonial.

Looked at positively, an offer of 191p gives shareholders a one-way option to get out if the market stays weak. If the market is steady or firm, the bid should simply be ignored (although the British Coal fund managers retain the ability to raise the price later in the campaign, which will run at least until the end of the month).

'If we were a life company, the DTI would be all over the bid'

Certainly, share prices have not done Globe's defence campaign any favours since the offer was announced on April 20 with the FT-SE 100 index at an overnight 2,214.5. Footsie then dived by 5 per cent to 2,100 over the next few days, although it has staged a good recovery this week.

To begin with, the offer represented a claimed 6 per cent discount to the value of Globe's underlying assets, but this could have fallen to more like 3 per cent. Of course, Globe's managers will no doubt try to claim a higher asset value, and a correspondingly larger discount, when the formal defence documents are produced in a week or two.

The original concern was that private investors would have been hit by CGT – unlike institutional shareholders, such as pension funds and unit trusts, which could take the cash and re-invest it almost intact. Apparently, one private investor in Globe has 600,000 shares, which is quite hefty for a personal pension plan. He is in line to receive £1.15m if the bid goes through. But if he takes the cash (and assuming he lives in the UK), he will have to stump-up nearly £300,000 in capital gains tax. This is on the basis that he has held the shares since the CGT base date in 1982, as have many private shareholders.

Small investors, it is true, may be able to make use of their £5,000 CGT annual exemptions, which this year apply to both husband and wife. The loan note is designed to provide some tax planning possibilities here, because any capital gain can be spread over up to five tax years. In the meantime, though, the investor will be wholly or partly out of the stock market, and will benefit eventually only if he could not otherwise have used up his exemptions through profit realisations elsewhere. In any case a nice, simple investment will have been turned into something more complicated.

What about the tax-free switch into a new investment trust? In theory, this could allow Globe investors to defer CGT indefinitely and would keep them exposed to the stock market. But the details of the new fund remain shadowy. What is certain is that it will not be at all like Globe. Investors who chose an international trust with less than half its portfolio in UK-listed equities, and with a considerable venture capital activity, are offered an all-UK index fund.

GLOBE INVESTMENT TRUST

Cap. Gains Tax impact*	p
Offer price in cash	191
Less 1982 base value of 47p adjusted for indexation	70
Taxable gain	121
Tax at 40 per cent	48
Gain after tax	73
Receivable after tax	143

*Impact on a long-term Globe shareholder paying 40% tax

Moreover, it is likely to be much smaller than Globe and the liquidity of the market in its shares may be poor. It will also carry the feature that its initial life will be only three years, albeit extendable on a resolution by shareholders. This wind-up clause apparently is intended to reduce the size of the share price discount on underlying assets because, if it became too great, shareholders would find it worthwhile to wind up the trust and receive almost the full underlying value. Once again, though, this would be a problem for small investors who could eliminate the discount only by laying themselves open to CGT.

For the time being, Globe's shareholders can sit back and await developments. They will be bombarded by much black propaganda about pension funds, but they should remember that institutional investors have done investment trust shareholders a thoroughly good turn in the past. By mopping up surplus shares, they have stopped the market value of Globe and other trusts from slipping to even greater discounts on the underlying portfolio values.

In the process, however, the proportion of Globe's shares owned by private investors has fallen to roughly a third, the same as the British Coal Pension Funds now own. The other third is split among a variety of other investment institutions, many of which may be happy to accept a good cash price. They can then roll over the money into other investments, unhampered by CGT worries.

Chickens have come home to roost at Globe. It presents itself as a private investors' long-term savings vehicle but most of its shares are actually owned by institutions. The dismal prospect for private investors is, therefore, that they are in a minority when it comes to voting and will have no real say in how the bid works out. That is why David Hardy is trying to call on the super voting power of the Monopolies Commission.

Probably the most satisfactory solution would be for the institutions to be paid off, leaving private shareholders in a new mini-Globe. Certainly, the directors face a tricky task in trying to give advice on the bid when their shareholders are so diverse. But they may find it distasteful to imagine their Globe shrinking around their ears.

Terry Dodsworth examines the options

B&C – what next?

GEORGE Fiani is an anxious man. With £25,000 of hard-earned cash tied up in British & Commonwealth, the crisis-ridden financial conglomerate, he needs desperately to know how the company's rehabilitation plan is working out. But it is now looking increasingly likely that his fate will be decided by a group of the company's stock-holders anxious to press for a liquidation.

Fiani's plight is common to quite a number of private individuals holding shares and stock in B&C. He came by his stake through a take-over in the days when B&C was still regarded as a high-flier. Offered a choice of payment for his shares in Steel Brothers, an overseas trading company where he had worked for many years, he accepted loan stock maturing in 1996 and carrying annual interest payments of 10 per cent. "I wasn't interested in taking shares at that time and I was advised against accepting the cash alternative because I would have had to pay capital gains tax on my profits immediately. So I chose the loan stock," he says.

Several months ago, B&C's share price indicated that the company was not quite as rock-solid as it had once looked. But Fiani was unprepared for the bombshell which exploded when the group announced in mid-April that it was writing off £550m against its Atlantic Computers subsidiary.

"I was in Milan when I read about it in the *Financial Times*," he says. "I got on a plane immediately and came back to England – and I've been having sleepless nights ever since. I need the money; and it represents lots of hard work, often in dangerous trouble spots in the Middle East."

Some of Fiani's former colleagues are in an even less enviable position because they took B&C shares at the time of the take-over. These have fallen to a fraction of their former worth and no-one knows what value they will retain at the end of the crisis. If the company is broken up forcibly, they will rank bottom of the pile after all the other creditors, including Fiani, have been paid out.

But what are Fiani's own chances of recouping his money? In the present state of play, there seem to be two main choices facing B&C. The company's preferred route is to go for an orderly break-up, selling off assets, paying down debt and, eventually, concentrating on its money-broking activities.

If this is allowed to happen, Fiani can apply for repayment of his loan stock on the next interest anniversary on June 30 – or the following one on December 31 – and the company is committed technically to pay out. Only £1.3m of the 10 per cent loan is outstanding. Under the terms of the bonds, holders can ask for redemption at every interest date – and several have done so.

'No-one knows what value the shares will retain'

But supposing B&C's other debt-holders push for a liquidation? What happens then? There is a possibility that this could occur as owners of the 7% per cent convertible loan stock – mainly institutions such as investment and unit trusts, pension funds and insurance companies – are planning a meeting on Tuesday to consider a move against the company.

If the holders can marshal votes representing 20 per cent of the £320m worth of convertible bonds, they could apply to the courts for the company to be wound up. They believe they have a case, since covenants on the convertible stock appeared to have been broken; and many of them want to press for a liquidation because they calculate that there are sufficient realisable assets in B&C for them to recoup at least most of the face value of their bonds – even if there is be little left for the ordinary share-holders.

In this event, the main issue becomes the ranking of the debt. B&C's bankers get paid out first. Then come the holders of the company's £231m, 10.5 per cent 2012 unsecured loan stock, again mainly institutions. This is where Fiani comes in. According to the company, he and the other owners of the 1996 10 per cent stock rank equally with the 10.5 per cent holders, so they should be paid out ahead of the convertibles.

After the convertible loan stock-holders, accounting for £320m, comes £164m worth of debt owed to Caledonia Investments; following this is £149m worth of convertible preference shares and, finally, the ordinary shares.

It is impossible to say at present how the battle over B&C will progress during the next few weeks. At the moment, though, it promises to be a messy affair, with all the uncertainty that will entail for Fiani and other small B&C investors in a similar position.

If the claims of the convertible loan stock-holders go to court, there are likely to be arguments, with different creditors pulling in different directions. It could be a long, hot summer for B&C investors.

Sara Webb looks at investing abroad

Taking the world view

MR JONES is a sophisticated investor. He puts money into the UK stock market and takes a keen interest in managing his own portfolio. He has, however, decided that the UK market alone is too risky: he wants a more global spread, particularly some of the Far Eastern and European economies which, he believes, will prove rewarding over the long term.

The easy way to invest overseas – particularly for smaller amounts – is through a unit or investment trust. This has the advantage of simplifying the paperwork and usually ensures a much wider spread in non-UK markets. But Mr Jones dislikes the high front-end charges levied by unit trust managers and is more interested in making his own selections. So what should he do?

Private investors can buy international shares which are quoted on SEAQ International in London. But SEAQ International is used normally by institutional or professional investors: indeed, the minimum transaction size is beyond most private investors. If, for example, you wanted Euro Disney shares, you would have to buy a minimum of 10,000 at just over £10 each.

John Summers, of James Capel's investment management division, says that if you want to acquire European shares through SEAQ International, you will probably have to invest "around £100,000 minimum." And even though the transaction is carried out in London, delivery takes place locally, so you will have to arrange for a local broker to look after the shares and collect the dividends.

If you want to invest overseas, you should bear the following points in mind:

■ Involvement and information

How interested are you in organising your investments? If you have neither the time nor inclination, stick to unit or investment trusts, or hand over your portfolio to a manager. Unit and investment trusts are suitable for small investments of a few hundred pounds; but if you want a portfolio manager to look after your money, you will probably need between £50,000-100,000 to invest.

Tim MacCarthy, of First Pacific Securities, says investing in the smaller Far Eastern markets requires fairly active management, and adds: "The question is – how active do you want to be, because these markets move quite quickly." He believes it is easier for a fund manager to keep a close, day-to-day watch on what is happening.

In particular, he says, a fund manager with good contacts in the region might hear news of a rights issue and be able to take advantage of any discount offered. MacCarthy notes, however, that while most Far Eastern trusts performed very strongly last year, anyone who had chosen to invest directly would probably have made a good return, too.

Graham Fuller, of Credit Suisse Buckmaster & Moore, points out that in some markets, such as West Germany, the high price for individual shares can deter UK investors. His view is that investors should "stick to what they know most about" if they want to go it alone, and he recommends Value Line (which is a bit like the Extel card system in the UK) for information about the US market and share tips.

■ Risk

Buying a small number of individual shares – in the UK as well as abroad – tends to be riskier than going for a spread via a unit or investment trust. A spokesman for Barings says: "You can sometimes hope to cover a market by buying a large, well-capitalised stock, such as a bank, reflecting the state of the economy; but, as a general rule, funds are quite an efficient way of spreading risk."

■ Currency

If you are not based in the UK, you might need to decide which currency base to use. Even if you are a UK-based investor, obviously you will have to take currency movements into consideration when making your decisions. Your portfolio manager might either advise you to open the appropriate foreign currency accounts, depending on the stock markets in which you want to invest, or he could simply convert your sale proceeds and dividends directly into sterling.

What you want to avoid is the situation in which one small investor found himself. He bought a few US shares which produced dividends worth around £20.

Each time the bank in the US (where his shares were held) collected the dividend, it charged him such a large fee for converting it into sterling that he was left with very little change.

■ Tax

Check the tax situation – in particular, whether tax is deducted from the dividends locally.

■ Good overseas contacts

Ideally, you want a broker with a good foreign operation – either offices overseas able to deal in local markets, or good local broker contacts.

Alternatively, you could go through the London branch of a domestic operation – Merrill Lynch, for example, if you are interested in the US market. It charges about 2 per cent in total commission (although the amount varies according to the size of the deal and the stock).

But Merrill Lynch is less keen on "one-off" customers than those with a portfolio of around $50,000 who want to deal in the US market regularly.

■ Costs

Ask your UK broker about commissions, management fees, VAT, stamp duty and any other costs. Is the broker going to charge two sets of commission – its own plus that for the local broker? Will your bank levy telegraphic charges for money transfers? Once you know what it is likely to cost, you might decide it isn't worthwhile investing only a few hundred pounds abroad.

■ Paperwork

Check if the bank or broker abroad makes a charge for keeping your shares in custody. Brokers in the US dislike the bother of sending certificates to investors and tend to keep them. Some banks charge a small fee for looking after certificates.

■ Settlements

In some markets – such as the US, Hong Kong and Japan – settlement is quick. In others, you could face considerable delays in getting the money after selling your shares. Latin American and Mediterranean countries, particularly Italy and Spain, have bad reputations.

Peregrine Banbury, head of the investment department at Coutts, says: "You could find yourself in a situation where the bank has not taken delivery of the stock, or received a claim for any money, months after the deal was placed.

"In one case, the Italian bank at least had the sense of humour to send a card marking the anniversary of the deal."

If that happens, you will not be able to sell the stock even though you own it officially. So if you wanted to trade actively, it could prove difficult. Brokers say the situation in Italy and Spain is not as bad as it was – but add that there still is scope for improvement.

■ Taking money out

In some countries, it can be difficult to get your money out once you have sold your shares. MacCarthy points out that, in Thailand, the administration has to go to the Central Bank before the funds can be repatriated to make sure the money had entered the country originally; this can take four to six weeks. The same is true of the Philippines.

Investing abroad directly, rather than through a fund, might be fraught with problems and take more time – but for the committed investor, it is probably much more fun.

INTEREST RATES: WHAT YOU SHOULD GET FOR YOUR MONEY

	Quoted rate %	Compounded return for taxpayers at 25%	40%	Frequency of payment	Tax (see notes)	Amount invested £	Withdrawal (days)
CLEARING BANK*							
High interest cheque	5.00	5.10	4.08	monthly	1	under 5,000	0-7
High interest cheque	9.20	9.60	7.68	monthly	1	5,000-9,999	0
High interest cheque	9.40	9.80	7.84	monthly	1	10,000-24,999	0
High interest cheque	9.60	10.0	8.00	monthly	1	25,000-49,999	0
High interest cheque	10.20	10.70	8.56	monthly	1	50,000	0
BUILDING SOCIETY†							
Ordinary share	7.00	7.12	5.70	half-yearly	1	1-250,000	0
High interest access	9.00	9.00	7.20	yearly	1	500	0
High interest access	9.75	9.75	7.80	yearly	1	2,000	0
High interest access	10.25	10.25	8.20	yearly	1	5,000	0
High interest access	10.50	10.50	8.40	yearly	1	10,000	0
90-day	10.25	10.51	8.41	half yearly	1	500-9,999	90
90-day	11.00	11.30	9.05	half yearly	1	10,000-24,999	90
90-day	11.50	11.83	9.46	half yearly	1	25,000	90
NATIONAL SAVINGS							
Investment account	12.75	9.56	7.65	yearly	2	5-25,000	1 mth
Income bonds	13.50	10.12	8.10	monthly	2	2,000-25,000	3 mths
Capital bonds	12.00	9.00	7.20	yearly	2	100 min.	3 mths
34th issue§	7.50	7.50	7.50	not applica	3	25-1,000	8
Yearly plan	7.50	7.50	7.50	not applica	3	20-200/month	14
General extension	5.01	5.01	5.01	not applic.	3	-	8
MONEY MARKET ACCOUNT							
Schroder Wagg	10.76	11.31	9.05	monthly	1	2,500	0
Provincial Bank	11.02	11.59	9.27	monthly	1	1,000	0
UK GOVERNMENT STOCKS							
3pc Treasury 1991	14.36	12.21	10.93	half yearly	4	-	0
8pc Treasury 1992	14.13	11.99	10.70	half yearly	4	-	0
10.25pc Exchequer 1995	13.21	10.45	8.80	half yearly	4	-	0
8.5pc Treasury 1994	13.52	11.18	9.78	half yearly	4	-	0
3pc Treasury 1992	12.24	11.40	10.89	half yearly	4	-	0
Index-linked 2pc1992§§	13.31	10.15	9.84	half yearly	2/4	-	0

*Lloyds Bank.†Halifax 90-day; immediate access for balances over £5,000.§ Special facility for extra £10,000 §Source:Phillips and Drew. §§Assumes 5.5 per cent inflation rate. 1 Paid after deduction of composite rate tax. 2 Paid gross. 3 Tax free. 4 Dividends paid after deduction of basic rate tax.

FINANCE & THE FAMILY

The Week Ahead

A look at leisure

THE FAILING fortunes of some leisure companies have claimed much attention. So it is interesting to see Brent Walker planning to report a week or so earlier than expected. It will disclose its full-year profits on Wednesday.

It seems the company wants to counter the assumption – fuelled by unpleasant surprises in the leisure sector – that because it was set to report significantly later than last year its figures were likely to be unimpressive. Analysts are now looking for pre-tax profits of £64m-£70m, against £41.7m last time. This assumes a gain from pub disposals of £13m-£15m. Obviously, the company's gearing level will claim attention – but the figures are being eagerly anticipated.

Trafalgar House is also involved in construction and shipping but house building and property development account for about half its profits. Not surprisingly, given the background of deepening uncertainty in the UK building sector, analysts have been downgrading profits forecasts.

The interim pre-tax result, also due on Wednesday, is now expected to be only £1m or so better than last time's £113.8m.

Construction, engineering and leisure will have moved fairly strongly ahead, partly offsetting the downturn on the housing side. There is not likely to be any fall-off in commercial property's contribution as yet, but the indications are this area could be turning down as well in the second half. The full-year result is currently expected to be slightly lower than last year's £270.4m.

Also on Wednesday's list is SmithKline Beecham, the merged pharmaceuticals and consumer products company, which is due to produce its first quarter results.

The company, formed from SmithKline Beckman of the US and Beecham of the UK, has, perhaps not surprisingly, struggled to to merge the two parts of its business. News of how this is going is likely to be of as much interest as its figures, which will anyway be rendered difficult to interpret by the lack of comparable yardsticks.

Gases are popular during tight economic times. At least that is what analysts are suggesting when it comes to the results of BOC, the industrial gases group.

The company is expected to have shrugged off the worst effects of the current economic difficulties in the UK and seems likely to report interim pre-tax profits in the £160m to £170m range on Thursday. Followers will be also keen to hear how BOC has progressed with proposals to float off its healthcare division.

Attention at Sears, the retailing group, will be focused firmly on news of any progress in the restructuring of its British Shoe footwear operation. In January, the company unveiled plans to close 200 shops, to open 70 new ones and to reduce head office staff. It is the largest shoe retailer in the UK. All told, analysts expect that annual pre-tax profits on ordinary activities – excluding other income – will drop to £205m from £247.4m a year ago. Other points of interest will include the performance of the Freemans mail-order business, acquired after a £477m bid battle in January 1988, and that of Olympus sports-goods.

British Petroleum, the oil company which is being shaken up by Robert Horton, its new chairman, will release its first quarter profits on the same day. On a historic cost basis, the company is expected to notch up about £380m.

At the company's annual general meeting last month, Horton promised to make BP the most successful oil company of the 1990s. But the new era is likely to get off to a relatively dull start. Margins from refining and marketing will probably have held up reasonably well but a substantially higher tax charge and weakness in BP's chemicals businesses will check any further advance.

The battle of Frome

THE SMALL Somerset town of Frome seldom hits the headlines. But for the past two months Frome Selwood, the local building society, has been at the centre of a fiercely contested takeover bid which is making building society history.

It may be a tiny takeover battle, but it is arousing fierce passions. A rebel group of investors is challenging the Frome Selwood board. Jim Marshall, the society's chief executive, has been abruptly and mysteriously suspended by his board.

The normally sedate image of the building society industry has been shattered by a stream of acidic public statements between the three societies involved. Most important, the takeover is setting a potentially fateful precedent for the building society industry, many of whose players are bracing themselves for dissolution amid takeovers and mergers because of changes in the retail banking markets.

Frome Selwood is a minnow, ranking about 85th by size in the UK. The society has one branch; 1,632 borrowers; and about 14,600 members in all. This makes the contest highly personal. "Everyone knows everyone else in Frome," says one of the protagonists.

In January Frome Selwood's Board, like many smaller building societies, decided that it was too difficult to continue swimming against market trends and the time had come to join forces with a larger society. Pressures on small societies range from the difficulty of finding good mortgage business to the increasing expense of complying with the regulatory regime introduced in the 1986 Building Societies Act.

Building society mergers tend to revolve around issues such as the fate of the smaller society's chief executive and board. The industry is littered with mergers which broke down, marriages which failed on the way to the altar, usually because top management or directors started to have doubts about the deal.

Frome Selwood had two principal suitors. One was Cheltenham & Gloucester, the seventh largest society. C & G, under its ebullient managing director, Andrew Longhurst, has a senior executive working full-time on merger proposals to smaller societies.

Since 1984, it has swallowed up no fewer than 11 societies, including some former star performers of the savings industry such as Bolton and Guardian.

Frome Selwood's board however chose a rival bid from Stroud & Swindon, a regional society ranking 43rd in the industry. Longhurst says: "I cannot identify any way in which the Stroud & Swindon offer is better for Frome Selwood investors and borrowers than C&G's proposals. We firmly believe that merger with C&G is in the best interests of the Frome Selwood members."

This claim is hotly disputed by Roy Walwin, chairman of Frome Selwood. In particular the Frome Selwood board disputes claims that Stroud & Swindon's offer has been preferred because it gives better terms to directors.

Why not let the members decide? It may sound logical, but although building society members are legally the owners of their societies, their rights are more or less limited in practice by the power of management. Only one set of bid details will be put to members on May 17 when Frome Selwood has its special general meeting to vote on the merger.

The industry watchdog, the Building Societies Commission, is believed to take the view that contested take-overs between building societies are undesirable, partly because they might draw in other kinds of predator, such as banks and insurance groups.

However a rebel members group, led by Trevor Morris, a retired retailer, has emerged. Although its goals are exactly the opposite of the anti-flotation group inside Abbey National, it has received similar treatment from the society's board.

A resolution by the rebels aimed at getting the board to consider the C&G offer has been ruled out of order.

Slightly unexpectedly, Frome Selwood made its rejection known through Richard Payne, chief executive of Stroud & Swindon, who has been acting as the smaller society's spokesman even though he has not yet taken it over.

Given the very small number of voters involved and the heated local publicity that the rebels have won for themselves, it is not impossible that they may succeed in blocking the merger proposals at the coming Frome Selwood general meeting.

Even if they do not do that, they have drawn attention to what looks like a serious flaw in the way building society mergers work.

David Barchard

An old married couple

UNLIKE some of the marriages made in the City before and after the Big Bang, one that claims to go from strength to strength is the union between Commercial Union, the insurance group, and Quilter Goodison, the private client stockbroker.

This weekend, Quilter Goodison vacates its offices in Gresham Street, its home for 20 years, and moves in under CU's roof. Glyn Roberts, Quilter's managing director, says the move will allow "economies of scale" as the stockbroking side will be able to share some of CU's facilities.

The move will not, however, mean a lower rent bill for a firm which is keen to reduce costs and become more efficient – and which has reduced its staff from 217 to 137 since October 1988. "We will be trying to co-habit while remaining independent," says Roberts.

Quilter Goodison was the family firm of Sir Nicholas Goodison, the former chairman of the Stock Exchange, before it joined up with a succession of banking and insurance partners. Bought by CU from Banque Paribas 18 months ago, it is keen to expand its private client business, which also includes Ashton Tod McLaren, a Liverpool-based firm.

When CU took over Quilter, it agreed to keep the stockbroking side strictly independent. There is, however, a certain amount of liaising between parent and broker. Quilter manages the investment of the CU-Quilter unit trusts (which it owned originally) while CU keeps its own stable of unit trusts separate and managed by CU Asset Management. Quilter also manages the investment of the CU-Quilter stable of personal equity plans.

The link is supposed to end there – and Quilter stresses that it does not supply CU with its database of client names for the purpose of selling insurance products.

Roberts thinks that moving into CU's offices "will mean more savings of scale in some of the operations" in the long run. He also expects his firm to become more efficient, using technology to improve its back office work.

When it comes to private clients, Roberts likes to describe Quilter Goodison as being "in the six-figure market." In fact the minimum portfolio is around £50,000-£75,000.

In its pre-CU days, Quilter was involved in the down-market retail business, setting up share shops in Debenhams and Selfridges. These closed fairly quickly as the firm discovered the difficulty of keeping pace with all the paperwork that accompanies such a high-volume business. Today, its sights are set firmly on managing the investments of the wealthy.

Sara Webb

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND MERGERS

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £ms**	Bidder
Prices in pence unless otherwise indicated					
Alumasc Group	255	244	163	31.46	Glynwed Intl.
Aquascutum	550*	550	340	19.25	Renown Inc.
Do. A	200*	197	143	54.55	Renown Inc.
Camford Eng.	330*	332	244	69.0	Markheath
Cont. Microwave	230*	220	145	12.24	Pharos Hldgs.
Do. 6% Conv. Prf.	112*	107	85	3.65	Pharos Hldgs.
Crystalate	84§	82	73	32.13	TT Group
Early's Witney	225*§	225	226	13.17	Grovewood Secs.
Executex Clothes	28*§	28	28	0.86	Premierflag
Globe Inv. Tst	191*§	188	174½	1.03bn	Br. Coal Pen. Fd
Highland Elect.	72½	78	68	6.35	Arlen
Hobsons Pub'ing	255*	250	190	8.67	Daily Mail
Horne (Robert)‡	490*	484	435	70.71	Buhrmann-Tett.
Do. "A"‡	452*	446	371	79.79	Buhrmann-Tett.
Lancaster	185*§	175	143	31.63	Newco
Lon. & Edn. Tst.	220*§	218	175	490.7	SPP
Midsummer Leisure	141§§	119	159	74.12	European Leisure
Molins	252*	275	246	75.5	Leucadia
Monks & Crane	93*	90	53	16.66	Wurth Hld GmbH
Pennant Group	29§ §§	20	19	4.19	Mowat Group
Runciman (W.)‡	699*§♣	700	472	62.86	AB Avena
Western Motor	789*	786	675	95.59	Tozer Kemsley

*All cash offer.††Cash alternative. ‡Partial bid. §For capital not already held.‡Unconditional.**Based on 2.30pm prices 4/5/90.†At suspension. §§Shares and cash.♣Including 9p dividend.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Albany Invest.	Feb	378◆	(313◆)	3.77	(3.12)	3.4	(2.8)
American Plastic	Dec●	2,310	(2,620)	13.8	(13.9)	2.5	(2.5)
Apollo Watch	Dec	1,390	(1,040)	1.87	(1.42)	0.5	(0.45)
ASB Barnett Kin.	Dec	254 L	(188)	-	(4.5)	-	(1.0)
Atlantic Res.	Dec§§	3,000L	(15,000L)	-	(-)	-	(-)
BDA Holdings	Jan	1,549 L	(1,373)	-	(9.8)	-	(3.5)
Beattie James	Jan	8,770	(8,009)	12.5	(11.2)	5.0	(4.5)
Billam J	Dec	11	(125)	0.4	(5.2)	4.04	(4.04)
Blackland Oil	Dec	416 L	(377 L)	-	(-)	-	(-)
Bletchley Motor	Dec	705	(930)	15.1	(25.4)	7.5	(-)
BLP Group	Dec	2,100	(1,910)	3.81	(8.5)	2.0	(3.6)
Cambridge Group	Feb§§	3,020	(1,070)	4.57	(1.96)	0.27	(-)
Cargo Control	Dec	295	(154)	4.7	(1.92)	0.1	(-)
Child Health	Dec	98#	(7#)	1.9	(0.15)	-	(-)
Clark C&J	Jan	30,320	(28,260)	-	(-)	-	(-)
Clayton Son & Co	Dec	540	(1,030)	12.6	(35.5)	11.5	(10.5)
Comm. Bank Near	Dec	901	(766)	53.7	(42.1)	30.0	(30.0)
Davies & Newman	Dec	3,340 L	(9,820)	-	(94.2)	8.0	(17.0)
Downiebrae Hldgs	Dec	543	(54)	2.21	(0.08)	0.5	(-)
Europa Minerals	Jan	3,060	(2,270 L)	5.3	(-)	1.0	(-)
Expedier Leisure	Dec	1,250	(583)	5.7	(4.2)	-	(-)
Fitzwilton	Dec‡	12,150	(5,250)	11.2	(9.3)	3.5	(3.5)
Fleming Univers.	Mar	2,290	(3,343)	2.4	(3.42)	2.8	(2.8)
Folkes Group	Dec	3,600	(3,000)	6.77	(6.33)	2.05	(1.77)
Futura	Dec	161	(452)	2.95	(7.95)	2.0	(1.25)
Grampian TV.	Feb	2,410	(1,970)	10.3	(8.77)	3.5	(3.0)
Holt Joseph	Dec	4,600	(4,020)	96.5	(89.5)	26.0	(23.0)
Lilley	Dec♣	19,100	(7,530)	9.55	(7.5)	2.5	(1.5)
Lit Holdings	Dec##	1,800 L	(5,000)	-	(7.4)	-	(5.63)
London & O'Seas	Mar	1,320	(1,010)	6.2	(4.3)	1.0	(0.6)
MBS	Dec‡‡	4,930 L	(20,970L)	-	(-)	-	(-)
ML Laboratories	Sept‡	11 L	(41 L)	-	(-)	-	(-)
Moss Bros.	Jan	4,100	(2,880)	16.3	(12.3)	5.0	(4.0)
Optim Group	Oct	5,840 L	(606 L)	-	(-)	-	(-)
PA Consulting	Dec	13,500	(8,440)	-	(-)	-	(-)
Propeller	Feb	1,020	(703)	6.84	(5.53)	0.6	(-)
Rathbone Bros.	Dec	2,200	(1,500)	19.8	(15.7)	6.6	(5.6)
Ropner	Dec	7,510	(5,250)	16.8	(11.9)	7.5	(7.25)
Scott. Mortgage	Mar	n/a	(n/a)	3.94	(3.03)	3.35	(2.8)
Shiloh	Mar	1,100	(1,240)	12.5	(14.3)	2.625	(2.37)
Slingsby HC	Dec	505	(514)	34.9	(33.9)	7.5	(7.5)
Spong Holdings	Dec	387	(845 L)	-	(-)	-	(-)
S&U Stores	Jan	2,830	(1,890)	17.8	(11.1)	6.0	(4.25)
Tootal Group	Jan	35,720	(42,290)	8.53	(11.0)	4.95	(4.85)
Ulster TV.	Dec‡	4,360	(2,190)	25.8	(13.6)	8.5	(4.75)
Upton & Southern	Jan	800 L	(923)	-	(7.75)	-	(2.5)
Usher Walker	Dec	1,280	(1,250)	34.7	(35.7)	11.0	(10.0)
Video Store Grp.	Jan	2,720 L	(594)	-	(-)	-	(-)
Walker JO	Dec	58	(674)	5.0	(54.6)	4.0	(7.5)
Wensum Company	Jan	635	(520)	5.85	(6.69)	1.9	(-)
Wills Group	Dec	547	(1,390)	3.9	(7.8)	-	(-)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Anglia Secure Homes	Mar	2,860 L	(2,760)	-	(1.25)
Anglo Park Group	Dec	68 L	(118 L)	2.0	(-)
Ashley Group	Feb	5,470	(1,940)	0.62	(0.5)
Barbican Holdings	Dec	197	(158)	-	(-)
Bellway	Jan	6,110	(5,670)	4.0	(4.0)
Blanchards	Oct	639 L	(1,180 L)	-	(-)
British Assets Tst.	Mar	11,700	(8,930)	1.87	(1.57)
Clydesdale Invest.	Mar	168◆	(146◆)	1.0	(0.5)
Edinburgh Hibernian	Jan	438 L	(-)	-	(-)
Glasgow Income Trust	Mar##	385	(582)	0.6	(0.4)
Global Group	Dec	519†	(-)	-	(-)
ICI	Mar©	414,000	(442,000)	-	(-)
Keystone Investment	Mar	1,020#	(400#)	4.0	(3.0)
Klark-Teknik	Jan	748	(445)	0.75	(0.5)
Kwik Save	Mar	39,500	(35,300)	3.7	(3.2)
Leeds Group	Mar	1,800	(1,430)	3.0	(2.7)
Leverage Opport. Tst	Mar	347	(-)	-	(-)
Lowland Investment	Mar	872◆	(660◆)	2.5	(2.0)
Merlin Int'l. Props.	Dec	5,490 L	(2,480 L)	-	(-)
Millwall Holdings	Jan	133♠	(-)	-	(-)
Multitrust	Mar	14 L	(10)	-	(-)
National Home Loans	Mar	15,530	(14,650)	3.75	(3.26)
Pennant Properties	Dec	4,890 L	(11,400)	-	(-)
Principal Hotels	Dec	425	(516)	1.0	(1.0)
Ptarmigan	Dec	263	(142)	0.25	(0.25)
PWS Holdings	Mar	2,540	(1,780)	1.3	(1.0)
Renlaminster	Dec	753 L	(222)	-	(1.0)
Riva Group	Dec	697 L	(-)	-	(2.0)
Royal Bank of Scot.	Mar	173,800	(171,000)	2.8	(2.4)
Scottish National	Mar	6,810††	(6,190††)	3.4	(3.0)
Summer International	Mar	62	(1,010)	0.5	(0.5)
Tate & Lyle	Mar	87,500	(70,200)	3.3	(2.9)
Wellcome	Mar	164,100	(128,200)	1.5	(1.3)

(Figures in parentheses are for the corresponding period.)
*Dividends are shown net pence per share, except where otherwise indicated. L = loss.※ This years figures for 17 months.● Figures quoted in US dollars & cents.‡ Last years figure for 14 months.† Figure for 7 months.♠ Trading profit.# Net revenue.♣ Last years figures for 11 months.◆ Attributable earnings/profit/revenue.§§ Figures quoted in Irish punts & pence.© 1st quarter figures.†† After tax revenue.## Last years figures for 9 months.‡‡ Net loss.‡‡ Last years figures for 18 months.♥ 2nd interim dividend.

RIGHTS ISSUES

Allied Irish Banks is to raise I£152m via a one-for-six rights issue at I175p.
Anglia Secure Homes is to raise £7.7m via a 1-for-2 rights issue at 70p.
ASB Barnett Kinnings is to raise £575,000 via a one-for-one rights issue at 20p.
Child Health Research Investment Trust expects soon to release details of a £5.9m rights issue.
Clinton Cards is to raise £6.4m via a one-for-four rights issue at 200p.
CRT Group is to raise £10.9m via a seven-for-nine rights issue at 60p.
Ellis & Everard is to raise £29m via a one-for-three rights issue at 152p.
Noble Raredon is to raise £5.2m via a 7-for-20 rights issue at 80p.
PWS Holdings is to raise £3.37m via a one-for-four rights issue at 59p.

RESULTS DUE

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Ambrose Investment Trust	Tuesday	4.66	8.73	5.28
Bayer AG	Tuesday♥	-	12.0	-
Brent Walker Group	Wednesday	4.0	7.0	5.0
Cakebread Robey	Wednesday	0.8	3.3	0.8
Corton Beach	Thursday	-	0.625	-
El Oro Mining & Exploration	Tuesday	-	10.0	-
Exploration Company	Tuesday	-	5.0	-
Hay Norman	Tuesday	0.66	1.5	0.76
Highcroft Investment Trust	Thursday	1.2	1.75	1.4
Hi-Tec Sports	Wednesday	1.5	3.0	1.5
Jackson Group	Tuesday	0.65	4.0	1.0
Jarvis	Tuesday	0.75	1.5	0.825
King & Shaxson Holdings	Thursday	2.5	6.75	2.5
London Atlantic Invest. Tst.	Thursday	0.575	1.6	0.63
London Finance & Investment	Tuesday	-	1.2	-
Merchant Manufactory Estate	Friday	1.0	2.0	1.0
Mezzanine Capital & Income	Tuesday	5.9	6.1♣	7.0
Osborne & Little	Friday	2.0	3.8	2.0
Parkland Textile Holdings	Tuesday	2.0	4.3	2.2
Radamec Group	Friday	0.5	0.5	-
Rit Capital Partners	Thursday	-	1.65♣	-
R&V Information Systems	Wednesday	-	-	0.308†
Sears	Thursday	1.45	3.85	1.525
Smith St. Aubyn Holdings	Thursday	2.47	2.316	n/a
Tellos Holdings	Wednesday	3.0	6.0	3.5
Time Products	Wednesday	2.5	4.0	2.5
Westerly	Tuesday	0.5	2.0	0.5
Whitbread Investment Company	Friday	3.05	7.15	3.35
Wilton Group	Thursday	-	-	-
Yorklyde	Thursday	2.75	6.25	4.0
INTERIM DIVIDENDS				
Associated Paper Industries	Tuesday	2.75	4.0	-
Bibby J & Sons	Wednesday	2.75	5.75	-
Blenheim Exhibitions Group	Friday	4.0	9.0	-
BOC Group	Thursday	8.3♣	9.5◆	-
British Petroleum	Thursday§§	3.65‡	3.95©	-
Circaprint Holdings	Thursday	-	2.4	-
Cronite Group	Tuesday	1.5	2.5	-
Ericsson LM	Tuesday§§	-	14.0‡	-
Fundinvest	Thursday	4.46	6.55	-
General Accident	Thursday§§	17.5	32.5	-
Honorbilt Group	Tuesday	-	-	-
McCarthy & Stone	Friday	1.31	2.64	-
MMT Computing	Tuesday	0.8	1.85	-
Olim Convertible Trust	Tuesday	-	6.0	-
Radio Clyde	Thursday	2.75	4.75	-
Sandvik AB	Thursday§§	-	7.50‡	-
Smithkline Beecham	Wednes. §§	2.0	3.2♣	-
Stakis	Thursday	0.71	1.6	-
Titon Holdings	Wednesday	0.94	1.96	-
Trafalgar House	Wednesday	8.0	9.6	-
Tubular Edgington Group	Tuesday	-	0.5	-
UK Land	Tuesday	-	14.5	-
Unilever	Friday§§	3.89	9.51	4.51†

*Dividends are shown net pence per share and are adjusted for any intervening scrip issue.† Figure quoted in cents.♥ D-mark per share gross.§§ 1st quarter figures.‡ Swedish krona per share gross.♣ 2nd interim dividend.♠ Dividend for 8 months to 31/3/89.◆ Interim dividend.© 4th quarterly dividend.‡ 3rd quarterly dividend.

Taxman keeps eye on gifts to children

THE ARRIVAL of independent taxation gives parents the chance to make gifts to their children without tax penalties. But you should be careful if you are not to run foul of the Inland Revenue.

Grandparents, other relatives and friends can give money to children. The income derived from that is treated as the child's own income and can be set against its single person's allowance. But gifts made by parents escaped the taxman's clutches only if they were made for educational purposes. Until April 5 this year, the income from non-educational gifts was aggregated with the father's income for tax purposes.

Under independent taxation, though, the income from assets passed to children can be aggregated with the mother's income, thus possibly reducing the overall family tax liability. This could, however, be difficult to achieve. The Revenue will still require the child's income to be aggregated with the father's unless it can be proved that the money came from the mother's own resources.

What about gifts not yet made?

Since the advent of independent taxation, many husbands have been transferring assets to their wives to take advantage of their personal allowances and lower tax rate band. So, husbands could transfer assets to their wives and then transfer them on to the children, with the income then being aggregated with the mother's. But the Revenue is taking a very strong line against associated deals designed to avoid tax. For example, it has always come down hard if it found two brothers were making gifts simultaneously to each other's children, so avoiding the tax that would be paid if the same gifts were made to their own children.

The Revenue has now made clear that it will take a similar line on transactions between husbands and wives. It says a wife can have the child's income assessed with her own only if she can demonstrate the gifts came from her own

Take care not to fall foul of the Revenue, says Eric Short

assets and that there was no collusion with her husband. This could be difficult to demonstrate, since financial decisions within a family should at least be discussed jointly, even if joint action is not taken.

The impression is that the Revenue has still not come to terms fully with the implications of independent taxation. Until it does, parents wishing to make gifts to children need to ensure that they can account for, and justify, their actions to the taxman.

Another aspect of independent taxation that appears not to have been resolved completely is who gets the income from a joint life and last-survivor annuity, and whether it can be split in some way between husband and wife. The subject does not appear to have been dealt-with in any of the Revenue's mountain of literature on the change because it has not set out any formal policy.

Under such an annuity, payments are made while both people are alive and continue, often at a lower rate, during the remaining lifetime of the surviving spouse. Two distinctly separate classes of annuity have to be considered:

■ First, where the money used to buy it comes from an individual's or family's own capital resources.

■ Second, when it is bought from the proceeds of a husband's pension arrangement, whether personal or company.

The second category is straightforward in its application to independent taxation. Until he dies, the income from such an annuity is regarded as his earned income and cannot be apportioned between husband and wife.

Individuals who have not yet set up a pension annuity arrangement can, however, take advantage of the new tax regime. They can take the tax-free cash lump sum available from a personal pension or company pension arrangement and buy an annuity for their spouse, or invest in some other income-producing investment such as a high income unit trust.

By some quirk in the Revenue's attitude, such action is not regarded as the individual splitting his earnings: the investment is regarded as belonging to the spouse. The wife can then set the income from that investment against her own tax exemptions.

Annuities bought from individual or family capital resources are quite different in their operation.

It is understood that the Revenue *will* allow the income from a joint life annuity to be divided equally between husband and wife. Under existing arrangements, though, the life company deducts basic rate tax on the income portion of the annuity payment. A certificate of such deductions is sent to the annuitant once a year so he can produce it, if required, to his tax inspector.

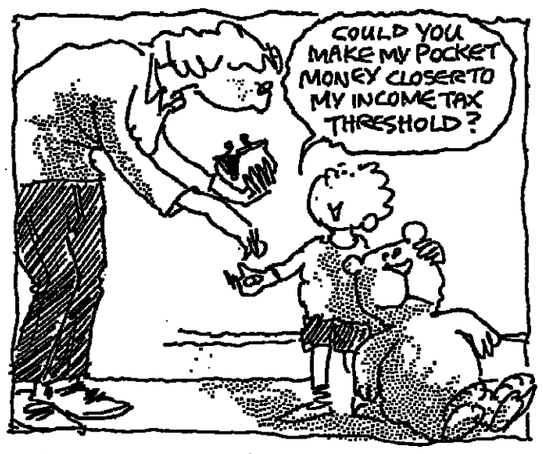
So, if the wife does not have sufficient income to pay tax, or is eligible for tax on only part of the annuity payment, she will have to reclaim back from the Revenue the tax paid by the life company.

It could well happen that husband and wife are in different tax districts. In these circumstances, a photo-copy usually is acceptable so long as the tax inspector is told which district holds the original certificate.

There are complications on new annuities taken out from April 6 this year if neither husband nor wife is in the tax bracket. New regulations are making it difficult for life companies to make annuity payments gross on joint annuities, as they could previously for low-income annuitants.

It is possible for couples to seek approval for some income split other than 50-50, such as if the original capital came wholly from assets held by the wife. But they would need to satisfy the tax inspectors. In any case, families with joint annuities in their assets should contact their tax inspectors and the life company.

After the Government announced the introduction of independent taxation, the Association of British Insurers contacted the Revenue to get the whole situation clarified. It is still waiting for the taxmen to produce a codified procedure.



Angry companies threaten to pull out of arbitration scheme, reports Eric Short

Insurers seethe over ombudsman's rulings

JULIAN Farrand, the insurance ombudsman, is causing a storm in the industry. In his first year of office since succeeding James Haswell, this mild-mannered man has so infuriated companies with some of his decisions that several have threatened to pull out of the insurance ombudsman scheme.

In setting up the scheme, the industry went to great lengths to ensure the ombudsman's independence. He was given wide powers and his decisions are binding, compelling companies to make awards of up to £100,000. They have no direct control over the appointment of an ombudsman or the renewal of his contract. This is the responsibility of the Insurance Ombudsman Council, most members of which are outside the industry.

It should not have been taken aback by the nature of Farrand's decisions for, like his predecessor and all other ombudsmen, he is a lawyer. And he has been strong-minded enough in the past to put consumer interests before any professional loyalties. He was chairman of the Government Conveyancing Committee, the radical report of which in 1985 led to the ending of solicitors' monopoly on conveyancing despite their strong opposition.

Unlike his predecessor, though, 54-year-old Farrand did not become ombudsman without any knowledge of the insurance industry. His distinguished academic career included being dean of the faculty of law at Manchester University. Thus, he is well versed in insurance law and the law of agency. Furthermore, as a Law Commissioner he is well aware of the commission's views that existing UK insurance law is biased against consumers. Attempts by the commission to reform matters failed because the companies lobbied the Government and civil servants intensely.

Farrand has served on a variety of tribunals. The most recent, before becoming ombudsman, was the Social Security Appeal Tribunal, where he had plenty of experience in dealing with people who are deprived socially and financially.

Perhaps that is why Farrand has taken the consumer's side more often in his first year as ombudsman. In some cases, his decisions have contrasted with those made by his predecessor.

For a start, he has made clear that he will put policyholders and claimants first in considering complaints, although he stresses this does not mean he has turned the office of ombudsman into that of a consumer's champion.

In dealing with complaints about life assurance, Farrand always wants to know two basic facts: did the policyholder know exactly what was being provided when he bought his contract; and did he understand the basic investment implications. In Farrand's view, salesmen cannot defend complaints by claiming they explained the terms of the

Julian Farrand: causing a storm in the industry

contract in detail unless it is clear the client understood those explanations.

Farrand has gone further by introducing far-reaching changes in company practice. For example, delays in settling claims can be frustrating for policyholders. He proposes to remedy this by requiring companies to pay interest when there is no justification for delayed payments, and to award compensation in cases where the policyholder has suffered stress because of the delay.

But companies say they are entitled to know and discuss the ground rules, such as what constitutes unjustified delay and how to make sure policyholders really have suffered from stress. Motor insurers think it is acceptable to delay payments on car theft claims.

There are two areas where Farrand's proposals are likely to result in a major clash with companies. First, he is proposing that the *innocent* failure by a policyholder to disclose something in an insurance contract should no longer jeopardise a claim completely. Instead, he proposes that a scaled-down claim should be paid, taking into account the correct disclosure.

Although this looks reasonable, it was one of the main proposals put forward by the Law Commission in its failed reforms. Companies now feel that Farrand is using his powers to bring about indirectly what the commission could not achieve directly.

Secondly, Farrand says he is prepared, in appropriate cases, to hold companies responsible for the defaults of independent financial advisers. But companies have long held that where an independent adviser is concerned, any complaint must be made against him, not them. Now, Farrand proposes to apply the law of agency to companies – a move that could result in conflict with the Financial Services Act, which requires independent advisers dealing with life assurance to have no links whatever with companies.

Companies which do not like Farrand's actions have two options. Either they try to persuade him to change his views or they leave the ombudsman scheme. But the latter would certainly result in bad publicity, and widespread defections could well bring about a statutory scheme with compulsory membership.

As befits a former county chess champion and a club standard bridge player, Farrand has seized adroitly the initiative in any coming talks with companies by planning several moves ahead. He has set out his proposals in his annual report and is explaining his attitudes to the media, reminding them that his re-appointment is not automatic.

If he wants to press ahead regardless, it is difficult to see what the companies can do without appearing to compromise the independence of the ombudsman.

Expatriates

Key points to remember in the quest for best advice

WHERE DO British expatriates go for independent financial advice? In the UK, a great deal of time and legislative effort have gone into making clear the absolute distinction between an independent financial adviser and a salesman representing only one company. For expatriates, though, the availability of independent financial advice remains patchy.

Last week, for example, Willis International Financial Services, part of the giant insurance broking group, launched a range of contracts designed specifically for expatriates and claimed it was "in the vanguard when it comes to offering best advice."

According to Peter Bloodgate, a Willis senior executive, the majority of existing plans for regular investments are over-priced and inflexible and, because they involve long-term commitment, do not match the transient life-style of the expatriate.

Willis's solution has been to develop three new plans – for regular savings, pensions and lump sum investment – in association with Clerical Medical International. All three are competitive in terms of charges payable and CMI is a highly reputable running mate, but it is stretching things more than somewhat to link these product launches to the holy grail of best advice.

On this score, Willis argues that the individual plans, or a combination of them, will provide best advice for 90 per cent of expatriates. Where best advice is not satisfied by the CMI range, Willis says it will look to other financial institutions on behalf of its clients.

While it is encouraging to see a company of Willis's pedigree entering the expatriate market, its comments about best advice rest uneasily with the perception that it is close to acting as a "tied" agent for CMI. It is a strategy that would not stand close scrutiny in the present UK climate of independent financial advice.

Whether you are planning to do business with one of Willis's 30 offices around the world, or with one of countless hundreds of expatriate advisers, there are four key points to keep firmly in mind in the quest for best, or even good, advice:

■ Ask the adviser if he belongs to Fimbra, the UK self-regulatory body for independent advisers. If the answer is "yes," don't take his word for it. Verify the membership either with Fimbra or with the Securities and Investments Board in London which – as the UK's chief financial watchdog – operates a central register of persons who are authorised under the Financial Services Act.

This does not mean non-Fimbra members are untrustworthy – but you should not take avoidable risks when it comes to financial advice. In any case, make sure that whatever cheques you write for investment or insurance purposes are made payable to a reputable fund management group or insurance company, not to the financial adviser.

■ Be clear at the start about whether your financial adviser is to receive commission from the fund management group or insurance company with which he might place any business for you, or whether he proposes to charge you a fee.

Traditionally, financial advisers have been remunerated by commission, although fee-charging is becoming more common now. But if the adviser is to get commission, don't be shy about asking how this will vary according to the type of investment he recommends to you. Remember, though, that while fee-charging is far more logical and is surely the way forward, you should not assume it is always "good" and commission is "bad."

■ Ask the adviser why he is making particular recommendations. Does his explanation sound like common sense to you? If not, chances are he is trying to bamboozle you rather than offer best advice.

■ Do you feel your adviser has extracted enough information from you about your investment aims and time horizons, and your level of risk tolerance, to enable him to discharge his duty of best advice?

Peter Gartland

■ *Peter Gartland is editor of The International, the FT's magazine for expatriates.*

Budget fails to tempt savers

CHANCELLOR John Major's Budget could fail to live up to its billing as a "Budget for savers," according to a survey of British saving habits published by the NatWest Bank this week. It showed Britons saved £142.80 on average in the first three months of the year. But only 6 per cent of those questioned after the Budget thought that they would save more as a direct result of it.

Kevin Jennings, NatWest's director of personal banking services, thinks this indicates that the Government's proposals to woo new savings will not succeed. In his Budget, the Chancellor announced plans for tax-exempt special savings accounts – or Tessas – which will pay interest gross to savers if they leave the capital untouched for five years. But Jennings said: "We do not think Tessas will attract more money."

The poll tax, higher cost of living, household bills and mortgage payments were the main reasons people thought they would be saving less over the next three months.

Sara Webb

Q&A BRIEFCASE

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Selling a jointly-owned flat

I OWN a flat jointly with two others. The mortgage has been paid off and I now wish to stop working, move abroad and hopefully use my share of the flat's value to finance a modest life style. My co-lessees are reluctant to sell the flat and split the proceeds, particularly during the present property slump, but are prepared to consider buying me out.

a) Who is the best person to approach to set a realistic valuation – a solicitor, estate agent, building society or the district valuer?

b) Should the buyer expect a price to be set below current market value, to reflect the fact they are being forced into this situation, as would be the case in selling a property with a sitting tenant?

c) If the answer to b is yes, what sort of percentage discount could they expect?

■ a) A qualified valuer (who is usually also a surveyor) is required. Such a person may be a partner in a local firm of estate agents, but not all such agents include qualified valuers.

b) and c) Some discount may be expected, but the amount of discount is itself a matter for expert valuation.

Solicitors' fees shock

YOUR ANSWER to a recent letter concerning solicitor's executorship fees (commission) surprised me. You stated very firmly: "The fees should not be based on the value of the estate, but on the work actually done," but you do not say if this is simply your own opinion or the current general practice in the profession.

For the last two years I have been dealing with the solicitors who are the executors of my wife's brother's will. They have told me that they will charge for the work done, PLUS a general commission, based on the gross value of the estate. It seems they are reluctant to state a percentage, but if it is only 1½ per cent, plus the fees already estimated in answers to my questions, they are going to pay themselves, from the residue of the estate, something between £15,000 and £16,000 on a gross of £270,000. Where do I find guidelines for such matters?

■ In the reply to which you refer we had assumed that the testator's residence was the substance in value of the estate.

It is correct the the recommended charges for a solicitor who is also an executor include a fee which is based on the value of the estate (less that of the residence). This is described as a responsibility charge, or value element. The recommended rate is 1½ per cent; and it is also permissible to charge at half that rate on the residence, although this latter element is often not sought on a small estate with only, or principally, the residence involved. The Law Society publishes a booklet on the subject: *An Approach to Non-contentious Costs.*

Valuation of home

MY PRESENT house is now much too big for me and consequently I wish to sell it to my daughter.

Could you tell me if I need to get the property valuation formally certified by valuers for capital gains, inheritance tax or other official requirements in the future?

■ If the sale is at a figure which you think is the market value (which you can check by obtaining an estate agent's view on what he would market the property for) you need not have a formal valuation.

Claim for lost deeds

I BOUGHT a cottage in 1966 and subsequently sent the deeds to my solicitor. These amounted to a substantial pile, including old Latin parchments dating from approximately 1400, with Cathedral and other seals.

I later married and my husband would like to see these documents. The solicitor is unable to send them or provide any reason why he cannot trace them.

Papers for the last 100 years are available so title is not affected. However, I am concerned as I understand that the presence of deeds such as the old ones I have described can add to the interest and value of a house when selling.

If the solicitor is really unable to produce them can I ask for compensation?

■ If the deeds were left with your solicitor for safe keeping you would be entitled to claim from them the value of the lost item. These are most likely to have a value as items which could be sold in the autiquarian market than as enhancing the price of the property, if the lost documents are all prior to the root of title.

Gift of a house share

MY MOTHER owns her own home, worth approximately £150,000, and wishes to make a gift to me of a part of the house in order to bring the value of the proportion remaining with her below the inheritance tax threshold.

In the event of her predeceasing my stepfather, she would like him to have the use of the house during his lifetime. Assuming she gifted to me 25 per cent of the value of the house:

a) Is the transfer potentially exempt from inheritance tax?

b) Would my mother and I own the house as joint owners or tenants in common (I do not live there)?

c) Should her wish for my stepfather to continue to have occupation of the house following her death be a matter of formal or informal agreement between us?

■ We think that a gift of a share such as you suggest will not involve a reservation of benefit, since no retention of rights is made out of the interest which is the subject of the gift.

The gift will be a potentially exempt transfer, leaving you and your mother as tenants in common in equity. Any arrangement for your stepfather to continue in residence should be made informally only, and it is strongly advisable that some interest (ie at least a small share in the value of the house) be left to him, either absolutely or as a life interest, in your mother's will.

Meaning of tenancy

OVER THE period of our married life, wherever we have lived, my wife and I have always held deeds to our property in our joint names. In many of your answers to readers' inquiries you have referred to "joint tenancies" and "tenancies in common."

Can you please explain:

a) The meaning of these different terms

b) The advantages/disadvantages of each

c) If neccessary, how one changes from the one to the other

d) Has any of the above any relevance to the fact the deeds themselves are in our joint names?

■ Under a joint tenancy the whole benefical interest accrues to the survivor(s) on the death of one joint tenant regardless of what is in the deceased's will; but with a tenancy in common only the legal title accrues in the same way while the beneficial interest will pass as directed in the will (or under the intestacy) of the deceased tenant in common.

The advantage of the latter is that the joint owner who wishes to pass his or her interest to someone other than the remaining joint owner(s) can do so in his/her will.

You can sever a joint tenancy (ie convert it into a tenancy in common) by a simple written notice from one joint tenant to the other(s). The change takes place in equity only, so there is no need to alter the legal title as shown on the deeds. (If the land were registered land it would be appropriate to apply to the Land Registry to enter a restriction on the registered title.)

Trusts and divorces

I HAVE an unmarried adult son and daughter to whom, over the years, my wife and I expect to transfer capital sums.

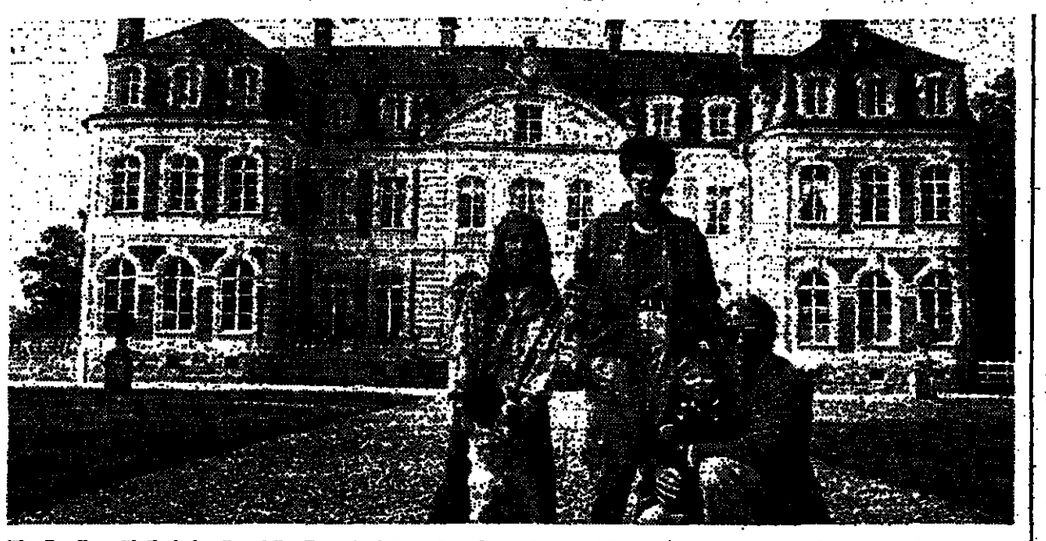
I am wondering if I should set up a family trust(s). This is because I am led to believe that if a person brings any capital to a marriage or receives capital after marriage, it be diminished by a subsequent break-up of that marriage, especially if the marriage partner has little money of their own.

Moreover, should the trustees have the right to withhold distribution of income? If it was an absolute trust, and our children had an absolute right to the money, any divorce settlement, based on counsel's opinion or a judge's decision, might take the existence of a family trust into account; although I cannot see the logic of such a decision because to my mind the existence of a trust, which is a separate legal entity, should not be a consideration in any settlement.

However, divorce is nowadays a fact of life, and I do not want an errant spouse walking off with the family's capital.

■ While you cannot be sure of keeping all interest in a trust out of consideration in a divorce settlement, you could see that there is only a limited value to be placed on your children's interest in the trust by making a discretionary settlement under which the objects of the discretion (including your children) would get no more than a right to be considered when the trustees distribute income.

MINDING YOUR OWN BUSINESS



The Doulls, with their family, at the French château they bought on a whim and now run as a conference centre

Nicholas Lander on the château that proved irresistible

A very fine madness

AS THE jet purred quietly from New York to London, Adrian Doull handed his wife a newspaper advertising the late Laura Ashley's French château for sale. "We should be living there, not Manhattan," he said. Nine months later, they were.

Doull used to be chief operating officer of a Fortune 500 company in the natural resources industry while wife Susan ran her own re-location consultancy firm. Their decision to swap Manhattan (pop. 2m) for Remaisnil in Picardy, northern France (pop. 50), was made on a whim in September 1987. But their business plan, financial packaging, re-decoration and hopes for the château have been built on years of experience in the hard economic jungle of North America.

The château is one of the few to have survived the Second World War with its furniture intact and was restored lovingly by Laura and Bernard Ashley. But its main disadvantage is its isolation in one of the poorer, less attractive areas of France. The Doulls decided initially to use it for the conference market but have extended it to take in private guests.

The Chateau de Remaisnil was built in 1760 and bought by Laura Ashley in 1978. After Francois Mitterrand's election as French president in 1981, and the prospect of a wealth tax, it was sold to her eponymous fashion and fabrics company although it remained her favourite house. A great deal of refurbishment was undertaken then, including a new roof, and the château was used to try out new fabrics and designs that might appear eventually in her shops.

The Ashley touch meant that the building ended up with gently-proportioned 18th century architecture, both externally and internally, plus loving and sympathetic interior design – a marriage not often found in France. But after her death, the company put the house on the market.

When the Doulls first went to Remaisnil, they made a video of their visit. Back in Manhattan, they watched it over and over again. And they came to the conclusion that if the world was insane enough to value equally a three-bedroom apartment on 75th Street and an 18th century château with 35 acres, Aubusson carpets, tapestries and period antiques and furnished by Laura Ashley, then perhaps they should take advantage of this madness. The downside, if all went wrong, was that they could sell the property and ship the furniture back to an American market crazy for such *objets*.

A few friends were invited to invest and a mortgage arranged to keep the French tax inspector at bay. Thus, the beginning of a long relationship with the complexities of French law began. Excellent advice – that Anglo-Saxons are motivated by results, the French by the process – saw them through the period until June 1987 when the château became theirs.

This was followed by a month's intensive French language course, after which the Doulls felt capable of coping not only with builders but also the National Monuments Commission. It was six months before they got all the permits for the renovation work to start; they then found the local builder to be the best of his type.

Work started on January 15, 1988, and ended as contracted on March 30, leaving all 20 bedrooms with their own bathrooms. On May 10, their first customer walked in. Transforming the château had cost £20,000 on administration before the purchase and £215,000 pounds on renovation, with a further £200,000 earmarked for working capital and covering start-up losses.

The Doulls have been able to keep these figures to reasonable levels because of their very definite marketing plans. They felt that the proximity of the château to the business centres of London, Paris and Brussels more than made up for the lack of great natural beauty in the countryside around Remaisnil.

Transport developments in northern France helped, too. In addition to the Channel tunnel, new *autoroutes* are planned from Calais to Paris via Amiens, and from Le Havre to Reims, along with the introduction of the high-speed TGV Nord train from Paris to Lille, Brussels and (hopefully) London.

In the long term, they were convinced Remaisnil was the right location – but how, as amateur hoteliers, should they proceed to build up this business from scratch?

Doull's business experience convinced him that fixed costs had to be minimised to achieve a low capacity break-even point. They inherited a housekeeper and cook from the Ashleys and hired a full-time gardener; these remain their only permanent staff. Part-timers are brought in from the local villages when required. Every hotel school in the region has been contacted and a local friend, a translator by training, comes in as secretary whenever they have a conference.

Aware, too, of their inexperience as caterers, they came to an amicable arrangement with Christian Germain at the Château de Montreuil, 30 kilometres away. He supplies kitchen staff and menus (for which he has one star in Michelin) whenever needed for conferences.

When there are only individual guests, the permanent staff look after the cooking – and well. Our dinner was *foie gras* and *tarte tatin*, punctuated by local chicken with a chive sauce, accompanied by Minnesota wild rice and a California Chardonnay.

The Doulls have, however, discovered some disadvantages to their strategy. One is that although Paris is their closest and most logical market, they have to fight the Parisian prejudice against the north-east of France, which is seen either as "close to the Arctic" or as a wasteland pitted with coal mines. A second, more structural, obstacle is the nature of their customers. When choosing a location for a conference, international companies feel they must keep all their divisions happy. No matter how good their conference was in France this year – next time, they must move to a different country.

The French Government has given the Doulls considerable support, though; for one thing, it believes the international conference market is dominated too heavily Britain. Indeed, Susan Doull was sent recently by the government-funded Maison de la France on a trip around the US with representatives from much bigger organisations (such as Sofitel and Air France) to sell the country and its charms.

Although there are many châteaux in France, some open to the public, most are too small for conference purposes and converting them would be too expensive. Remaisnil – which can accommodate 34 convention-goers plus spouses – now has all the business facilities that any small convention could require along with a tennis court and 18th century billiard table for relaxation.

While working hard to enlist new corporate clients, the Doulls are becoming polished hosts to non-convention guests who use the château for a weekend or while travelling to and from Calais, two hours away. They seem happy with the sound of birds and leaves in the French countryside instead of rustling dollar bills.

■ *Château de Remaisnil, 80600 Doullens, France (tel. 0103322-77-07-47; fax 32-43-27). Conference rate varies with numbers; but for a maximum of 34 occupants it is FFr1,400 a night per person fully inclusive. Individual occupancy from FFr510/670 a person per night.*

Paul Tapscott on how to reduce start-up risks

The seven golden rules

STARTING a business inevitably is risky. Some by their nature are more risky than others; indeed, the average failure rate for new businesses is about 60 per cent within three years. So, you need to plan to keep the level of risk as low as possible.

How can this be done? First, consider the product or service. Has enough research been carried out to prove this can be delivered at a price that enough customers will pay. Skilled chefs start high-class restaurants – but if the restaurant is filled only on Friday and Saturday nights, the gross profit could be too little to cover a full week's overheads.

Thus, rule one must be to assess the risk of the product or service in the market place, and to calculate a break-even level. People can, after all, live without luxury meals.

Next, consider the capitalisation. A typical business might be capitalised at £20,000 divided equally between the proprietor's capital of £10,000 and a bank loan of equal amount.

At present, the bank would be likely to charge 20 per cent, or £2,000 a year, interest. A forecast first year's trading plan might then be like this:

Sales	£60,000
Gross Profit	£54,000
Overheads excluding interest	£46,000
Profit before interest	£8,000
Interest	£2,000
Profit	£6,000

It is evident that interest is covered a satisfactory four times by the £8,000 pre-interest profit. However, should sales miss the target of £60,000 by a modest 10 per cent and overheads, as would be likely, remained unchanged, interest would barely be covered.

In the main, the overheads of small businesses consist predominantly of the proprietor's essential drawings or salaries, and operational expenses such as rent and staff costs which cannot materially be varied for relatively small changes in activity. So, rule two is to plan to borrow the minimum – never more than 50 pence per pound of base capital – until the sales plan is proven.

Now consider the trading character of your business. A wholesaler is likely to have a low net profit margin on sales and a low investment per pound of sales. At the other extreme, the hotelier is likely to have a net profit margin of 60 per cent and a heavy investment for each pound of sales.

Businesses at the extremes are normally more speculative those in between. So, rule three is to select a business where the normal net profit margin on sales is in the band of 8-15 per cent and the total investment around 30-40 pence per pound of sales.

Terms of trade is the next vital area. Among builders and small manufacturers a common cause of bankruptcy is bad debts. So, rule four is to organise (if possible) to avoid giving credit. If that is impossible, though, treat chasing the cash with as much urgency as obtaining sales.

Remember that a sale is worthless until it is paid-for. Try also never to have a credit customer bigger than 5 per cent of annual turnover.

Rule five is to keep all your contractual obligations as short as possible until your business has proved itself. If you ignore this rule, be clear why you must do it.

A long lease on an office or shop will be desirable if the premises are right for size and location. But will they still be right for a period of years? Start from home, if it is practical; or start from premises that will often give you the flexibility to change location at very short notice.

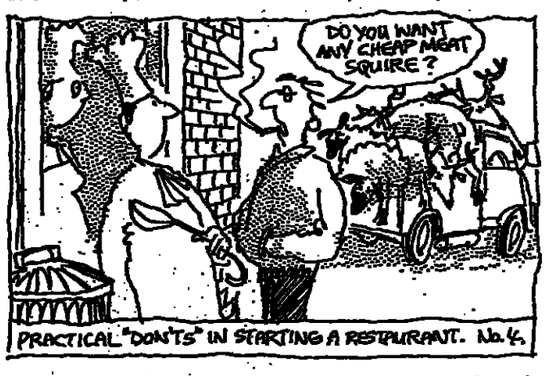
Rule six is: don't be over-ambitious. Normally, overheads are incurred considerably in advance of sales income; the heavier they are at the outset, the greater the risk should income be slow to build. It is much easier to increase overheads than to shed them.

Rule seven is to off-load by insurance as many risks as you can. It is tragic how many small firms under-insure grossly. Fire insurance without consequential loss can leave the business without a future. A sole trader often carries hundreds of pounds of goods in his car, which is insured to comply only with the Road Traffic Act. Lack of insurance can easily result in the destruction of a large part of the firm's capital at a stroke.

What, therefore, should the cautious entrepreneur be seeking? I suggest a business that can grow from small beginnings without heavy borrowings; one with a wide market, where the products or service are in reasonably continuous demand and, preferably, not purchased by professional buyers; and one where the overall investment per pound of annual sales is under 40 pence and the net profit margin is not too far below 10 per cent. If credit has to be given, it is short.

All this might sound like a recipe for not starting. But, rather, it should be a recipe for structuring the business without avoidable risk. You are unlikely to be able to meet all these criteria – but the closer you get, the more easily should you be able to sleep soundly at night.

■ *Paul Tapscott is chairman of the Haycraft Small Business Centre, Southbank House, Black Prince Road, London SE1 7SJ (tel. 071-587-0569).*



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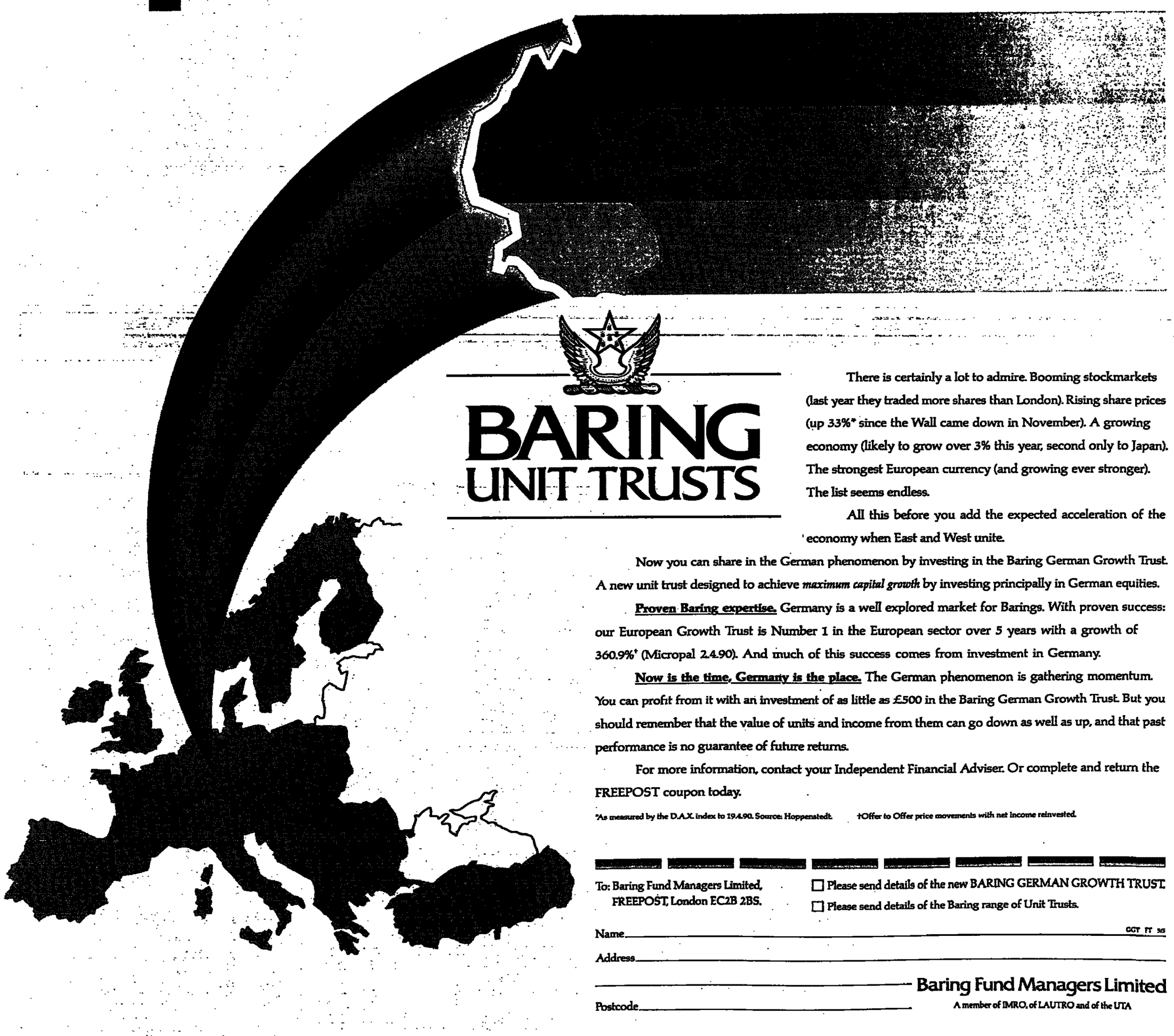

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BARING GERMAN GROWTH TRUST

On the Inca trail with Gringo Bill

***Tim Burt** is still in Peru for the second part of his series on Andean nations*

BILL KAISER from Indiana runs one of the most dilapidated hotels in southern Peru. Unopened bags of cement are scattered around the open-air foyer and the restaurant doubles as a games room. But there are rarely vacancies in the eight rooms of the Hotel Qoñi Uni, or Gringo Bill's as it is more commonly known.

Gringo Bill has big plans for his home in Aguas Calientes, the village tucked into the Urubamba Valley that weaves between the Andes. "I'm planning to build 86 storeys right on top of here and sell out to Hilton," says bearded Bill, who has just completed the third floor of the hotel since arriving in 1968.

Floor 86 would command spectacular views over the tropical cloud forest to Machu-Picchu, the lost city of the Incas set on a natural saddle in the mountains.

To view the city today, however, Gringo Bill's guests have to walk 1½ miles along the Cuzco-Quillabamba railroad from Aguas Calientes, the last village before Machu-Picchu, and climb for an hour to the ruins. Most choose to leave before sunrise so they can witness curtain-up at the last Inca stronghold in the world.

Each morning a shivering audience watches the city unveiled by the mist and cloud rising off the ancient streets and tightly packed buildings.

The spectacle is worth the nervous walk through the railway tunnels on the valley floor when all ears strain to catch the first hoot of an approaching locomotive. Even the pinpoint accuracy of the mosquitoes and the sweat of the climb are worth the first glimpse of the palaces, temples and staircases stacked together more than 6,000 feet above sea level. Sometimes the only sound above Machu-Picchu is the handclap of a tourist applauding the scene.

Hiram Bingham, an American explorer, was impressed too. In 1911, he found what the Spanish conquistadores had failed to uncover – a secret city buried in the forest. Bingham and subsequent archaeologists from Yale University decided this must be Vilcabamba, the last refuge of the Inca empire, but this has been contested by other archaeologists and the place remains shrouded in mystery.

Bingham and his followers compounded the bizarre history of Machu-Picchu when they found that the human remains on the site were almost entirely female. Archaeologists are still arguing whether the city was the hiding place of the Amazons, the home of an Inca harem or the scene of a battle which saw the male population massacred.

It is hard to imagine a massacre there. The terraced fields cut into the hillside and the cobbled alleyways conjure images of a calm market town rather than a garrison.

The feeling of calm does not last long these days. From Huayna Picchu, another hour's climb above the main city, there is a condor's eye-view over the ruins and down the railway line in the valley. The peak offers the first sight of impending bedlam when a yellow and red train rushes into view with its siren singing to the waiting guides that their bread and butter is arriving.

The brakes hiss and squeal as the train stops and the visitors – who pay roughly 10 times more than locals for the comfort of air conditioning and clean windows – tumble out in a whir of video cameras and film. The buses which groan up the winding incline of the Bingham road are not as packed with elderly Americans as last year. The ruins are not so well photographed and the graffiti on some of the Inca stonework has not been updated.

The decision of the the Shining Path guerrilla movement to treat tourists as legitimate targets has done more than any government edict to protect treasures, such as Machu-Picchu, from thousands of well-heeled sneakers.

The tourist industry is finding it difficult to overcome the disincentive of a decade-long guerrilla war which has claimed 17,000 lives. And the killing last year of a British tourist in the Andean village of Oyeros effectively relegated Peru to the league of destinations reserved for the young and outward-bound. Brian Williams of Journey Latin America, the London-based company which organises tours to the region, says: "The number of people going to Peru is down by 70 per cent but it is quite safe as long as you use common sense."

A lack of common sense has not been named by the Government in Lima as the reason more than 300 people were killed in the first half of April, the bloodiest two-week period since the Shining Path began its Maoist campaign.

Four years ago the group blew up the tourist train to Machu-Picchu, killing eight people. Peruvian tourist officials, however, claim the only risk in visiting the lost city is the threat of breathlessness and insect bites. The Foreign Office in London takes a more cautious approach: "Tourist installations have been bombed. Since mid-1989, two foreign tourists have been killed and a further two abducted and presumably killed."

Ten parts of Peru are in a state of emergency and travellers are warned: "Her Majesty's Government nor any member of the British consular staff abroad can accept any liability for injury." Visitors are advised to travel in groups sticking to the tourist routes. But even in "safe" areas Whitehall says: "Highway robbery is a hazard. Walkers on the Inca Trail have been attacked by bandits, on one occasion with loss of life."

The Inca Trail leads 35 miles from Machu-Picchu across the valleys and mountains to Cuzco, the capital of the region three days' walk away. It is difficult to get lost in the thick vegetation – you just follow the toilet roll. The route is littered with the stuff despite the claims of most trekkers that they are walking the trail to escape the trappings of tourists who can't bear to be more than 100 yards from a flushing lavatory.

The best way out of Machu-Picchu is down the sweaty path and along the railway line to Gringo Bill's, where there is a refrigerator full of chilled beer. While the tourist train runs down the valley and the temperature falls on the Inca Trail, Bill's customers are often found sitting in the hot springs which give Aguas Calientes its name.

The stench of sulphur and murky brown water is compensated by the heat and steam soothing the aches of a day's climb. The springs make the village a pleasant pit-stop for tourists who do not mind a little discomfort and a great train ride through the Andes.

The railway runs right along the main street and it is possible to walk only four or five steps from a meal table on to the morning service to Cuzco. The dirty local train runs at a pace slow enough to allow hawkers to get on and off with local delicacies such as hard-boiled eggs coated in hot sauce.

Sitting on the open steps between the couplings, the old carriages rock along the Urubamba River and past smallholdings where llamas and children scatter at the sound of the horn. Only the routine army search for coca leaves – the main ingredient for cocaine – obliges passengers to sit inside. The Indians look innocent enough but the soldiers usually collect several bags of the addictive green leaves when they turn out the hens from wicker baskets and rummage through the contents.

The local passengers co-operate with the search because it rarely leads to arrest. Many are too passive anyway to put up much of a protest – they have been chewing their own supply of coca since boarding at Aguas Calientes and by the time the soldiers arrive they are as high as their homes in the Andes.

■ *Viasa, the Venezuelan airline, flies from London to Lima, with connections to Cuzco with AeroPeru. Journey Latin America (071-747-3108) and Twickers World (081-892-7606) organise tours to the Peruvian Andes. Information from Peruvian Tourist Office, 10 Grosvenor Gardens, London SW1. Tel: 071-824-8693.*

Machu-Picchu: the lost city of the Incas

TRAVEL BUSINESS

AIRLINE CATERING at the best of times is boring but, according to a report published yesterday, it can often be the cause of undiagnosed food poisoning ranging from a mild stomach upset to cases requiring hospital treatment.

***Holiday Which?* magazine, published by the Consumers' Association, yesterday reported the findings of tests on airline food from 14 UK and continental European flights and found what it describes as "alarmingly high bacteria counts" on board eight of them.**

One in every four samples of hot food tested was contaminated with bacteria, probably because of inadequate reheating on board. About one in every six cold dishes also had higher than recommended levels of bacteria – and virtually all the cold dishes were served warm enough for any bacteria to be able to multiply rapidly.

In one test of a chocolate gateau, for example, the researchers found contamination by bacteria of faecal origin, indicating poor food handling hygiene.

***Holiday Which?* was unsurprised by the findings since it says that cabin staff have little, if any, food hygiene training and in the UK there are no specific food hygiene standards for airline caterers.**

Environmental Health Officers, who would normally check on restaurant hygiene standards, cannot at present inspect airline food on board an aircraft. This may change, however, when the Food Safety Bill currently before Parliament becomes law.

The Consumers' Association would like to see airlines adopting Department of Health guidelines for cook-chill foods, training for cabin crews, and airline catering to be included in the proposed European Commission directive on food hygiene.

■ ■ ■

NEXT MONTH sees the start of plans to computerise the Air Miles voucher scheme to make it easier for collectors to amass "miles" when shopping. Collectors will be given registration cards as a prelude to plastic cards being issued next year which will automatically record Air Miles at the point of sale.

The decision reflects the confidence by Air Miles (51 per cent owned by British Airways) in the future of the promotional scheme in spite of being hit by the down-turn in retail sales.

"The slump in shop spending has slowed down our growth but not stopped it," insists Keith Mills, managing director of Air Miles. He had hoped to have reached 20 per cent of the adult market by this stage, nearly two years since the scheme was launched in the UK, but actual penetration is closer to 10 per cent at present.

The scheme is basically a sales promotion weapon for companies who pay between 6p and 9p per voucher from Air Miles which is then given to customers according to how much they spend on goods and services.

The voucher (or mile) can then be redeemed for a flight on British Airways, helping the airline fill up the millions of empty seats it has each year.

Air Miles says that some 2.5m consumers have registered so far as collectors and more than 40,000 people have used their vouchers to fly on a BA flight. "Over 500 bookings are now being made each day," says Mills.

Air Miles has just completed a successful promotion with Shell – gaining three times the expected response.

■ ■ ■

THE SHARP decline in package holiday sales to the sunshine resorts in the Mediterranean – bookings this summer are expected to be 20 per cent down in comparison with last year – has prompted the travel trade to come up with some novel ways of boosting demand.

The Association of British Travel Agents has just published a report by Professor Chris Thompson, from the psychiatry department of Southampton University, suggesting that depression sufferers could benefit from a holiday in the sun.

He says that as many as half the population may suffer depression during the winter months because they are deprived of sunlight: a holiday in the sun, therefore, can produce the chemical changes necessary to alleviate both depression and anxiety.

David Churchill

A Civilised Weekend

What's it all about, Albi?

Fair stands the wind for France . . . or so ***Nigel Spivey*** *thinks*

Albi: self-denial is out of place

A Lautrec from the Musée Toulouse

La terre charnelle: the carnal earth, the earthy earth. That is what France is. As soon as you plant your feet on French soil you know that your senses are set for a field day. The further south in France you go, the more certain that knowledge becomes.

Even inside a car, you are reached by *la terre charnelle.* Sunflowers pack the verges, like hosts of your fondest admirers. Plump cardboard pigs extend a roadside trotter, and beckon you with a menu. At these junctures, you may see lorry drivers vaulting from their cabs, hitching their trousers and striding towards the place that promises to restore them. The temptation registers. Shall you pull up and join them – indulge the flesh with another corking lunch?

You shall. Self-denial is out of place in this land. The puritan, in France, is a barbarian. Whoever wants a civilised weekend on a ham sandwich and a thermos should not go to France.

If you accept eating as a variety of carnal experience, then France offers herself, region by region. But you also want warmth. You want something to look at that is worth looking at. You want to be out of a metropolis. And you would prefer to be in a place where only a few of your compatriots are likely to be. You will rule out many regions of France with these wants, but not Albi.

Albi lies in the prefecture of the Tarn. It is accessible: a flight to Toulouse takes you most of the way; from Toulouse it needs only an hour's drive. And as you approach Albi, the most endearing feature of the place will be readily evident. It is one of those towns that appear to grow out of their own bedrock: one of those organic towns, seeming to belong to an ancient and natural landscape.

Above the dun bricks and suntanned rooftiles sits a fortress, which anywhere else would look monstrous – but not in Albi. This fortress is the cathedral of Sainte-Cecile, begun in 1282 and finished about a century later. It is of the same dun brickwork as the rest of Albi, and its size and situation are such that wherever you are, and whatever the peccadillos of your carnal existence, there is a safe stronghold nearby.

At some stage of the weekend, you must nod in on Sainte-Cecile. Contemplating its bulk from the outside, you would hardly believe that it came under the description of "French Flamboyant." Step inside, into an enormous nave, and you will appreciate the flamboyance. The vaults are all tricked out with multiple crockets, and whatever was once austere about this nave was later remedied by the installation of florid choirstalls.

To the rear of the cathedral is a palatial museum – a museum that was formerly the archbishop's palace. Here you must make a quantum leap, from High Gothic to Low Frivolous. For this museum holds some 600 works by Toulouse-Lautrec: the best of his paintings anywhere, supported by sketches, posters and items of juvenilia.

Toulouse-Lautrec was born in Albi, of local landed gentry. When he died in 1901, his mother gathered up what was left in his studio and presented it to the town. This was a gesture of great decency, for while it is true that most of Lautrec's work oscillates around Montmartre and the Moulin Rouge, Albi is a rightful place for absorbing it.

Lautrec had the voyeur's eye for carnal suggestiveness: a loose strap, a chink of thigh, the millimetric adjustments to a lace garter. Within the confines of *la terre charnelle,* his work preserves a perfect insouciance, an air of gaiety *sans* depravity. There are studies displayed here that were done when Lautrec was in his teens, already stunted and malformed from the waist down: the eye for voluptuous movement is there, if focused upon horses rather than women.

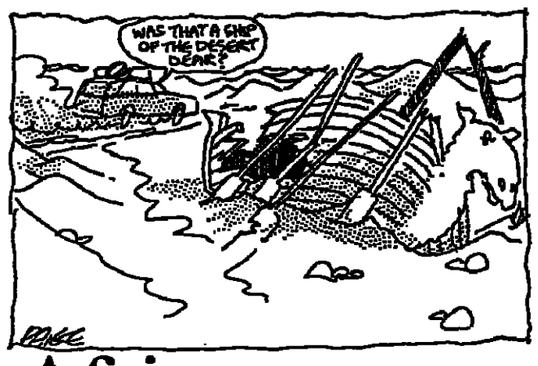
Albi capitalises on her best-known son. You might even stock your kitchen with Toulouse-Lautrec dishcloths. But with or without him, Albi is an easy place to be in. We stayed at a hotel in the *Logis de France* organisation, called Le Vieil Alby. It is tucked into the quiet old heart of the town, in the Rue Toulouse-Lautrec. A comfortable double room cost £18 or so. We asked the proprietor where we might eat, and with a nice Gallic immodesty he told us that his own son was the best cook for miles around. So we ate at Le Vieil Alby, for little more than £12 a head, and it was one of the best meals we ever had.

Duck-gizzard salad, truffles, pâté de foie gras, smoked salmon: these were the aristocratic preludes to the classic peasant dish of Toulouse, cassoulet. To say that cassoulet is a stew of sausage and beans may excite a British lorry-driver, but his French equivalent does better than that. When it comes from *la terre charnelle,* cassoulet is a dish fit for angels.

After your prune liqueur, take a stroll over the cobbles, and watch the bats flitting about the brickwork of Albi. This is all very civilised, and quite enough. But if spare hours materialise, ponder the short drive across to Gaillac. Wine, as Hemingway used to claim, is one of the truest tokens of civilisation, and the white wine of Gaillac merits an excursion.

Or take a book with you: Zola's *Nana* (available in Penguin Classics) would match, and offset, the Toulouse-Lautrec. Most important of all, go to Albi with your spouse or lover. It is *la terre charnelle.*

■ *Le Vieil Alby is at 25 Rue Toulouse-Lautrec, 81000 Albi (tel: 63-54-14-69). In London, you can contact the Tarn Tourist Office on (071)-287-9640.*



Africa: proper sand dunes start here

Sophie Henderson *crosses the Saraha into l'Afrique Noire*

A CURIOUS vestige of French colonial influence in Africa is the tradition that a solid, dependable car must be a Peugeot. Parisians will tell you that they sell like hot cakes in Niger and Mali.

As a result, we set off in a fleet of 15-year-old Peugeot 504s on a 4,000-mile journey that would take us down through French West Africa, across the Sahara's 3m square miles and into the heart of *l'Afrique Noire.* We might have been the vanguard of the prestigious Paris-Dakar rally, but we had stacked the odds against ourselves in cars that might not have reached Gibraltar.

Africa is a place of imperturbable curiosity, and each time we stopped we drew a crowd of swarthy *magrheban* faces and a clamour of French and Arabic. Morocco seemed to be full of monks, men wandering around in hooded habits, the traditional brown *djekkabas.* Some seemed contemplative, sitting placidly at the roadside, but with an occasional burst of activity others would dart into our path, proffering suspicious-looking packets and making frantic smoking gestures.

A guide attached himself to us in Fez. Without his intimate knowledge of the medina, a morning's visit could easily have turned into a week. Our half-dozen compasses might have been good for steering us across thousands of miles of desert but in this labyrinthine network of alleyways, stalls and mosques, they would have been useless.

At Figuig, the Algerian border was marked by an assemblyof tents beneath the palms of an oasis. French passports were accepted gladly, but to our surprise a British one was out of the question. Ten minutes later we were back in Morocco. Relations had been deteriorating between Britain and Algeria and since July of last year the Algerians had been operating a policy of *refoulement selectif.* I had been selectively sent back.

We decided to retrace our steps to Oujda, 200 miles to the north, and to try our luck there. I fumed with nervous exasperation. What a way for the trip to end, sent back after six days. Perched on the edge of a wooden table, the moustachioed immigration officer announced that he was sending me back, too. Perhaps a bribe would get me in, but I tried to tire him into giving way. Getting nowhere, we put off the moment of decision until after the customs formalities. I walked out and the officer remained sitting on the desk, leering after me and tapping my passport on his thigh.

I passed a French group in a fleet of pristine Range Rovers who were breezing through the frontier rigmarole. They had deck-chairs stacked in the back, several crates of Perrier – probably Camembert in the fridge.

Further down the line our weathered Peugeots were surrounded by piles of rucksacks, spare tyres and hundreds of tins of ravioli. I returned to immigration. The officer renewed his barrage of questions:

"Are you married?"

"Which of those men is your boyfriend?"

And then he came to the point.

"How much do you want to go to Algeria?"

"Very much indeed," I replied, my hand closing round the fistful of notes in my pocket, ready to hand them over. Very slowly, he flipped through the pages of my passport and handed it to me.

"Off you go then."

I stammered a hurried thank you for his unexpected generosity and fled.

The road was flat and straight and seemed interminable. The occasional rocks had a lunar strangeness about them, emphasised by the complete lack of colour all around, but suddenly we saw below us the palm trees of Taghit, nestling at the foot of a group of massive ochre sand dunes.

These were our first proper dunes. They gently invade the road, first putting out a feeler to see whether conditions are right, and then moving over in force. Dunes are alive, and these monsters below us would have left Taghit long ago had it not been for the water beneath them holding them down.

Even in December the days are very hot, but the nights can get close to freezing. The most beautiful moments of the trip were the silent evenings spent watching the stars making their way slowly from horizon to horizon.

Heading east to In Salah, my co-pilot began hankering after some real desert to drive on; the hard road offended his sense of adventure. Moments later we stopped. The tarmac had come to an abrupt halt. The road had ceased to exist.

From then on it was like driving on an endless cattle grid. Every few miles there was a patch of soft sand. The car seemed to be swimming. On a large stretch of sand, even with the tyres deflated, the Peugeots would gradually sink in and come to a halt.

I now know a good deal about pushing a car out of sand . . . enough for a short lecture course, probably. The sand gets everywhere; we kept it out of the air filters with oily nylon tights but it would find its way into our sleeping bags, into the biscuit tin and even into a tightly-closed water-bottle. Everything took on a dirty shade of yellow, including us.

After that we entered truly desolate countryside, where even the sand dunes eclipsed themselves.

One evening, we set up camp in a particularly isolated spot. Protected from the harsh wind by a barricade of jerry-cans, we were brewing some soup when we realised that we were not alone. Three men, *sheshes* wound around their heads and necks, had popped up from nowhere and were squatting in a line, mesmerised by our activity.

Soon they were seven; they simply materialised out of the night. The idea of going to sleep in front of our audience of Berbers seemed impolite, if not slightly rash, but when we presented them with some tins of ravioli they vanished.

The desert changed again dramatically at Arak, a few apologetic houses made even smaller by their location at the foot of the Hoggar mountains.

As we advanced, we were swallowed up among rocks that stood tall while others had been reduced to a pile of grey rubble, like the scraps fallen from a giant potter's wheel.

Approaching Tamanrasset, we recognised our first Tuaregs by their dark flowing robes and the strange cross on their camel-saddles. Still Berber-speaking, this tribe has much blacker skin than the Algerians from the north. The Tuaregs have mostly given up their nomadic lifestyle. Some have exchanged their camels for a *"quatre-quatre"* (four-wheel drive vehicle) and can be found ferrying Roman Catholic tourists to Assekrem, Frère de Foucauld's hermitage.

Approaching Guezzam we struggled across the dunes of Laouni, where the skeletons of cars, lorries and buses lie in the soft sand, their headlamps gouged out and tyres removed: a graveyard of metal carcasses. The road had split into a hundred capillaries, so widely dispersed that if you broke down you might never be seen again.

Finally we got to Niger and the trees reappeared, bringing the greenness that we had been aching for in the monotony of the desert. After 3,000 miles of strict Islam, it was a relief to see women everywhere. Draped in brightly coloured dresses, they waved as we drove by. The faces were becoming negroid; cheeks were decorated with scars. This was *l'Afrique Noire.*

As our convoy chugged into Agadez, a crowd of people closed in on us, clamouring to buy the cars. A voice cried out: "Paris-Dakar? Paris-Dakar?"

FOOD & WINE

It's the vineyard that counts

Why can't a vine be more like potato? ***Jancis Robinson*** *reflects*

THE MAN on the podium at the University of Essex is local in origin but is trying to explain to his Colchester audience just how different his current environment is. "You'd be surprised," says the professor, "by the number of young women I see in the area where I live who go jogging carrying weights."

Where else but California? Professor Michael Mullins is the son of an Essex farmer but is now a resident of the leafy university town of Davis near Sacramento in his capacity as a *grand fromage* of wine academe in America. It is difficult to think of a higher academic position in the English-speaking world of wine.

Australian hackles may be rising at this point but then, quite apart from the fact that America produces four times as much wine as Australia, Professor Mullins arrived at Davis only after 16 years at the University of Sydney.

Indeed, his accent suggests that wine is still made from *gripes* and he has obviously been through the Clive James School of Deadpan Witticisms as well as the Universities of Reading, Cambridge, London and Oxford.

Since September 1987 he has been the University of California's Chair of the Department of Viticulture and Enology and Amerine Professor of the same two subjects, grape growing and wine making, which are increasingly recognised as one.

It is a sign of the times that this prestige post has gone to a viticulturalist, a sign that attention is now focused much more on what happens in the vineyard than in the cellar. Winemakers were the wine heroes of the '70s and '80s; people who get dirt on their shoes will be the wine heroes of the '90s.

It was in his capacity as local boy made very good indeed that Professor Mullins was invited by the University of Essex, and Colchester wine merchants Lay & Wheeler (possibly the most striking example of a wine merchant fully integrated into the local community) to deliver a lecture on his work to help celebrate the University's 25 years of existence. (The University of California first defined its legal obligations to the grape and wine industries in 1880.)

The image of the jogging weightlifters was as relevant in this context as it was potent. It illustrates not just Californians' need to make life difficult for themselves (probably because life in California is so dangerously easy), but the social climate in which the American wine industry is attempting to survive.

The nature of Professor Mullins' work has relevance to wine production the world over however. The problem is that, although growing grapes seems a particularly soft-focus buccolic activity, and wine a particularly "natural" product, the realities of commercial grape growing are somewhat different.

Vines are an agricultural crop like any other and are prey to all sorts of pests, diseases and stresses. Until now vine growers have largely depended on the agro-chemical industry to solve these problems and vineyards may be sprayed dozens of times each year with a panoply of fertilisers, insecticides, pesticides and, most important in northern Europe, anti-rot preparations.

The sort of society in which girls jog carrying weights, cafés carry warnings of the presence of microwave ovens and worries grow about the ethanolic emissions from wineries is none too happy about chemicals floating about in the atmosphere and oozing into the soil. Nor are those who campaign on behalf of vineyard workers convinced that sprays are beneficial to health (although another motivating force is the desire to reduce labour costs). In fact Professor Mullins goes so far as to say, "as a concept, the widespread use of chemical inputs is dead." Roll over, ICI.

Of course this problem is not specific to the wine industry, but the wine industry is much more restricted in the range of solutions available – although Professor Mullins admits that the organic or wholemeal approach of carefully selected cover crops and pest control is a viable option. Scientists who specialise in cereals and other horticultural crops are busy breeding new varieties with specific resistances and properties that stand a good chance of making those "chemical inputs" redundant.

Since the average consumer would be hard pressed to name any of the old varieties of wheat that went into their bread, they are hardly likely to object to the new ones. Consumers also seem quite happy to experiment with less familiar varieties of fruit and vegetables, provided they can deliver some desirable quality – the crispness of Greensleeves apples or the convenient size of La Ratte potatoes being just two recent cases in point.

But the notion of vine variety is crucial to wine perception and legislation. The world's fine wine industry is based on a surprisingly small number of "traditional" grape varieties: Cabernet Sauvignon, Merlot, Pinot Noir, Syrah, Nebbiolo, Chardonnay, Riesling, Sauvignon Blanc, and not all that many more. That these specific varieties be used is fundamental to the laws governing production of wine throughout Europe. To achieve any significant change in the properties or resistances of one of these varieties by breeding, will almost certainly involve having to introduce a parent unrecognised by the quality wine law, argues Professor Mullins.

The German research institute at Geisenheim, in the Rheingau for example, has bred some superb Riesling taste-alikes that have good disease resistance and ripen usefully early – but they cannot be sold as the familiar variety Riesling, nor even as a good quality wine because they are hybrids, and the EC does not officially recognise hybrids as capable of producing good quality wine, despite taste-able evidence to the contrary.

The response of viticulturalists such as Professor Mullins to this problem is Wham, Bam, Biotechnology! They are trying to introduce the relevant genes into the plant material directly, inserting designer DNA into the traditional vine varieties that will give them, for example, resistance to the fanleaf virus that is such a widespread problem in California and Europe, or the ability to flourish in particularly salty soils.

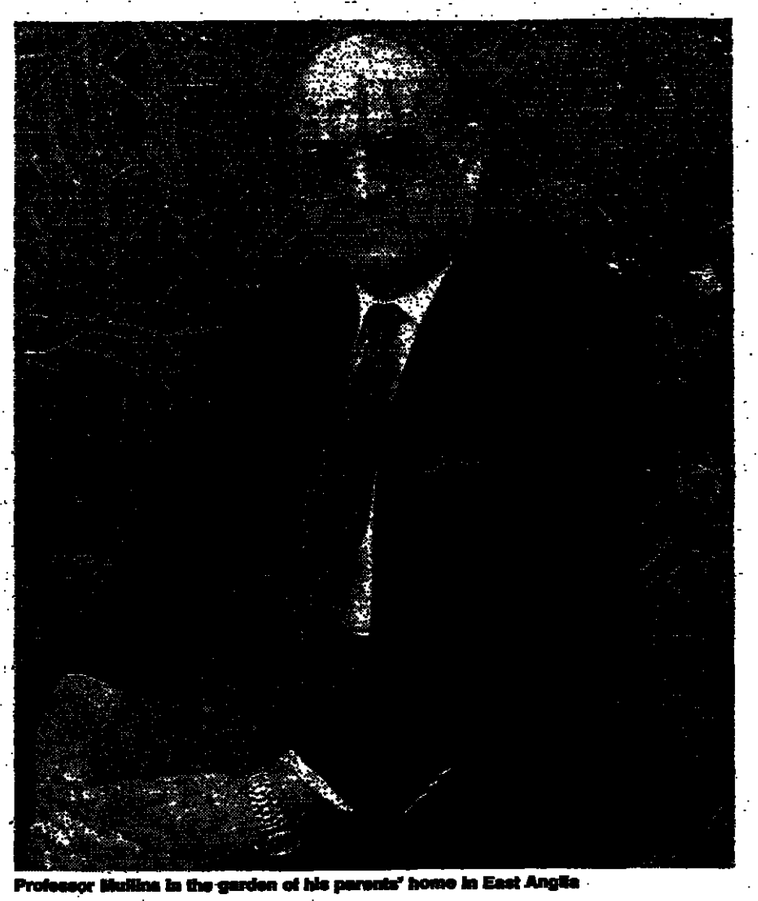
Professor Mullins is not alone in this. He and what he openly admits is his "fiefdom" at Davis are just one of the runners in the potentially highly profitable race to develop this technique. They are competing against others sponsored by the Australian government in Adelaide, by Möet-Hennessy in France and even one of his Davis colleagues whose sponsor is hoping to beat Mullins' sponsor. ("In the US, academic work is all about competing for grants," says Mullins, "whereas in Australia it's all about goal setting.")

They have all been held up by the "technical blockage" of successfully inserting alien genes into plant material. Mullins is hedging his bets between a sort of genetic cannon that brings to mind Woody Allen's "Everything You Always Wanted to Know About Sex" and agrobacteria experiments in more of what you might call an "Andromeda Strain" format.

What is fascinating about all these man hours, not to mention megadollars, of scientific endeavour is that they are entirely in response to social change and attitudes. In California, and increasingly in Europe, society is unhappy about witnessing scientific manipulation of nature. Professor Mullins' work is predicated on the assumption that we won't mind his sort of manipulation in the lab, but I wonder whether in the long term he's right to dismiss the plant breeding option out of hand?

His view must be coloured by his experience of Tarrango, a red variety developed in the '60s specifically for Australia's hottest irrigated vineyards that has not exactly been a runaway success. And, being stationed in California, he must also be heavily influenced by the prevailing philosophy there that if it's not called Cabernet Sauvignon or Chardonnay, it won't sell.

I find this philosophy deeply depressing – so depressing that I have managed to convince myself that there is a definite trend among knowledgeable wine drinkers to give some of the hundreds of other excellent grape varieties more of a chance. It is just conceivable that in the very long term a new generation of naturally bred "Supervines," equipped with a full set of resistances, stress tolerances and even the ability to make better quality wine, may find suitable homes in the vineyards of the world and recognition from legislators and consumers alike, however unconventional their genetic make-up. Naming them will be all-important. A vine-naming unit could be a useful money-spinner for Davis.



Professor Mullins in the garden of his parents' home in East Anglia

High Street Wines

SAINSBURY'S leads the supermarket wine field and lists 350, of which 1.5m. bottles are sold each week in its 289 shops. I sampled most of the group's 35 wines at a tasting and here is a cross-section.

WHITE

Bianco di Custoza, Castel Nuovo, Pasqua 1988 (£3.89): A fresh, light (11.5-degree), slightly green-tasting wine from near the southern end of Lake Garda. For drinking now.

Gavi, Bersano, 1988 (£4.45): Produced mainly on the eastern edge of Piedmont in the province of Alessandria, Gavi is probably Italy's most sought-after dry white wine, and correspondingly expensive when made in the commune of Gavi. This has good depth of flavour and is drinkable but lacks the distinction of the much dearer best.

Sainsbury's White Burgundy N.V. (£4.45): It is difficult to find a generic white burgundy at a reasonable quality/price level. If a bit dull, this has authentic flavour.

Saint-Véran, Ch. de Chasselas 1988 (£4.95): With a good chardonnay aroma and a fruity flavour, this is certainly worth the extra 50p compared with its predecessor above.

Sainsbury's Chablis, Charles Moncant 1988 (£6.55): In spite of considerable extensions of the basic Chablis vineyards, the wine remains relatively expensive. This one has an attractive, fairly typical aroma and is fuller-bodied than most.

Medalla Real Santa Rita Chardonnay 1987 (£5.25): From one of the best-known Chilean wineries, this barrel-fermented wine has a fine, oaky nose and full, deep flavour.

Pouilly Fumé les Chantalouettes 1988 (£6.25): Fine Sauvignon aroma, with a strong, long flavour in the mouth. A few bottles of this might be worth acquiring to keep for another 12 months.

Serriger Vogelsang Riesling QBA, Staatsweingut, Trier, 1985 (£3.19): This quaffable, 10-degree Saar wine has an appley nose and a fruity flavour.

Rauenthaler Gehrn Riesling Kabinett, Staatsweingut, Eltville, 1988 (£5.25): From one of the most distinguished individual Rheingau vineyards, this has a fine aroma, but as yet the fairly green flavour of youth. A pity to drink now; one to buy and keep for at least several years.

Wehlener Sonnenuhr Riesling Kabinett, St. Johannishof, 1988 (£5.75): From one of the most sought-after Middle Moselle vineyards, this is much sweeter than the two preceding wines, but has good acidity and needs time to develop. With an alcoholic strength of only 8.5 degrees, a bottle could be consumed without fear of substantial after-effects.

Ch. Mayne des Carmes, Sauternes, 1987 (£8.95): The second wine of Ch. Rieussec, and like its *grand vin* has some colour when still young. Deliciously luscious, an agreeable, less expensive alternative to its classed-growth superior.

Sainsbury's Blanc de Blanc Brut Champagne, 1985 (£10.95): Produced in one of the newer Champagne vineyard areas near Sezanne, this has a classic nose and flavour and in these days of rising champagne prices is good value.

RED

Sainsbury's Frontonnais, Ch. Bellevue la Forêt, 1988 £3.15: Grown from the little known Negretti grape north of Toulouse, this wine has been fermented partly by carbonic maceration, hastening its development; but although full and fruity, it is still fairly tough.

Sainsbury's Claret, N.V. (£2.49): Fairly light in colour, it is stronger and more tannic in flavour than some of its high street rivals. Good value.

Sainsbury's Médoc, N.V. (£3.55): With more "class," an elegant bouquet and real style, it is worth the extra £1.06 cost.

Ch. Maucaillou, Moulis 1984 (£8.45): From a difficult, variable Bordeaux vintage, there is a distinct brown tinge to the colour, but with a classic claret nose, plenty of fruit and surprisingly good balance. At its best now.

Sainsbury's Teroldego Rotaliano, N.V. (£2.59): This is from the excellent Mezzacorona co-op in the northern part of the Trento province. The teroldego grape produces unabashedly big wines, but this has a lot of flavour and is excellent value for a long, uncomplicated wine that fills the mouth.

Sainsbury's Chianti Classico, Ricasoli, 1986 (£3.25) and Chianti Classico Castello di San Polo in Rosso, 1982 (£4.95): The first is typical Chianti, fruity but with a good deal of acidity, and comes from the area based on the castle of Brolio where Chianti was practically invented. The second wine, a Riserva made only in small quantities, is much richer, with a concentrated aroma and flavour. The colour is almost surprisingly brown for its age and now at its peak. Excellent value.

Medalla Real Santa Rita Cabernet Sauvignon 1986 (£5.25): The bouquet and flavour are rich and well-balanced. For its age, quality and price this Chilean "claret" is a challenge to Bordeaux.

Beaulieu Vinearyds Pinot Noir 1987 (£7.95): The aroma suggests lead pencils and the flavour is soft for Pinot Noir and makes easy drinking, but no great challenge to Burgundy.

St Joseph, Le Grand Pompée, Jaboulet Aîné, 1986 (£5.95): Fair colour, indicating youth, but unexpectedly lacking in flavour and "size" for a wine made predominantly from the Syrah grape.

Edmund Penning-Rowsell

On the top of a culinary hill

Nicholas Lander *on a food success story*

FEW CHEFS could claim that, having won two culinary awards and come second in this country's most prestigious cooking competition, they are still cooking on two stoves which cost £5 each. Nor could many claim that their restaurant was once a village supermarket, their kitchen the post office. Such however are the economic facts of life behind the hard-earned success of David and Rona Pitchford at Read's in Faversham, Kent.

In 1986 David won the Craft Guild Chef of the Year award and in 1988 Read's won the Best Lunch under £10 award. But it was their success in the 1989 Baron Philippe de Rothschild Menu Competition which most pleased the modest Pitchfords.

This competition, now in its 23rd year, is open to any restaurant in the country; a chef has to submit a four-course menu, each course accompanied by a different wine from the Rothschild stable.

The best menus are chosen for the "cook-offs" which take place on neutral territory in a commercial London kitchen. Because this competition judges all aspects of the meal – the food, the presentation, the service and the choice of the wines – it calls for considerable team skills as well as cooking ability. In the past it has therefore favoured the larger establishments which have the human and material resources to spare; past winners include the Waterside Inn, the Dorchester and the Savoy. This year's finalists were teams from the InterContinental, which serves 1,500 meals a day, the Savoy, 2,000 meals a day, and Read's which on a good day serves 70. The InterContinental eventually won but Read's ran it a very close second.

Once they realised the strength of their competitors, the Pitchfords put their own modest resources to maximum effect and tried to recreate the atmosphere of their own restaurant in London. They used their own cutlery and glasses; Rona, the first woman to lead the service in the competition's finals, wore slacks as she does working at Read's and, to make the judges feel even more comfortable they took their own round table up to town. They also had a table decoration made from only wild flowers.

To maintain consistency they wrote their menu in English and, as they do in the restaurant, used primarily English ingredients.

David and Rona Pitchford

Their menu was a hot mousse of smoked haddock, a breast of Gressingham duck, Bonchester Cheese and an individual savarin ring with wild and domestic strawberries. Both are unusually knowledgeable about wine, having passed the Certificate and Higher Certificate exams of the Wine and Spirit Education Trust, and in this area they chose well.

In fact their preparations for this competition demonstrated two notable aspects of the restaurant – commonsense and a great deal of experience at cooking for and looking after customers. It is comforting, but rare, to read on a lunchtime menu that if you are in a hurry you must let them know and they will do something about it, and that they offer a children's menu at £7.50 without hamburgers or fishfingers.

Part of this practical attitude towards their restaurant can be explained by the fact that the Pitchfords met as mature students on a teacher training course in Roehampton, south west London. David, initially a student at Ealing College, London, had already worked seven years at the Dorchester and the May Fair, prestigious central London hotels, while Rona had worked in catering in the City before becoming one of the first women to teach catering at Westminster College.

In early 1976 their own restaurant was just a dream and they were in fact looking for a home when Rona's father pointed them in the direction of what is now Read's. It is a single storey building built in the 1960's as a supermarket. It failed and became a mail order warehouse. In the interim a post office was added to one end and, by necessity, a house to the other which is still home to the Pitchfords, their two sons, their dog Dom – after Dom Perignon – and Rona's mother, who does the restaurant laundry. However by the time the Pitchfords were househunting the whole property was in the hands of the liquidators who accepted £28,000 for the buildings and some land. A further £12,000 was spent transforming the property. The stoves came from a school kitchen about to be renovated; a £10 hot cupboard from a scrapyard. Their only piece of new cooking equipment is a salamander (a very hot grill).

Business was slow to start – 11 customers in their first week – and they were too hard up to advertise in the Yellow Pages, but by 1980 they were showing a small profit. In 1987 the prospect of a hotel opening close by and taking their custom forced them to introduce a fixed-price lunch menu and the discipline this induced has led to improved margins throughout. The initial price was £10. It is now £12.50 but no-one would quibble with the quality or the quantity.

A *coq au vin* which boasted the breast, leg and thigh of the chicken, a dish of oxtail that would have seen me through an afternoon's work in the hop-fields, and a well-executed fillet of salmon with a lobster sauce are some of the main course dishes at lunch time. In the evening there is a fixed price menu of £26 for four courses as well as a number of dishes from local suppliers – game, venison from Wadhurst Park and turbot and dover sole from Harty Ferry. There are 240 wines on two lists, the smaller, nicknamed "odds and sods" has some real gems, but all are well priced, with 40 wines under £12.

The Pitchfords would have made good teachers and they certainly show a thoughtfulness towards their staff that is rare. As the price of eating in good restaurants rises it is often difficult for those who could learn most from the best restaurants to afford them – a young chef could easily spend his full week's wages on dinner for two.

At Read's however there is a "grub tin"; every week each member of staff pays in £2.50 and any extra tips are pooled and, when it is deemed ready, the Pitchfords take all their staff out to eat. They maintain it is the quickest way for their staff to learn. Trying to teach a chef to get a particular sauce just right can take weeks but tasting somebody else's well-executed version can bring instant results. Rona, responsible for the service, was appalled by their last visit to a Michelin two-star restaurant when a waiter stretched right across the table and she made this clear to her staff.

The Pitchfords would love to leave their early 1960's building but they do not want to move too far. The modesty of the building has one great advantage in that it does lower customers' expectations. They have seen people draw up in their cars wondering if they are at the right address. Those who have eaten there *know* they are at the right address and their loyal following comes from all over Kent and south London.

Read's is the type of restaurant that many believe exists only on the other side of the Channel – a family-run restaurant, offering very good food at sensible prices, some wonderful wines and friendly service. With its location only half an hour from either Folkstone or Dover, Read's can easily stand this type of gastronomic comparison.

■ *Read's, Painters Forstal, Faversham, Kent, ME13 0EE. Tel: 0795-535344. Open Tuesday-Saturday. Lunch 12-2pm; Dinner 7-10pm.*

Cookery

A feast of asparagus

INSIDE firmly with the English greens. The fat white asparagus of Argenteuil leaves me cold. I also love the fervour of feasting that the UK's short and intense six- or seven-week asparagus season brings.

Yes, I know that imports from California, Thailand and the rest can be found in British shops all year (and some of it isn't bad) but it isn't really the same thing at all. You don't have to be a patriot to agree that home-grown is best, for it is well known that asparagus eaten on the day of picking is always the best, irrespective of its colour.

Asparagus is one of those foods in which it is difficult to over-indulge. I find it unimaginable that I should tire of eating it served simply with melted butter, parsley or chervil vinaigrette, or hollandaise sauce, or butter and Parmesan for dipping.

Asparagus served this way is food on which to gorge and needs to be served in generous quantities. Just a few spears on the plate look pathetically waifish, not to say mean; and if there is less than 2 lb to share between four, I think it is wise not to serve asparagus plain and simple but to treat it some other way: whipping it up into a foaming mousse, crushing it to a creamy soup, wrapping it in ham and laying it on a bed of scrambled eggs in cheese pastry tartlets, or using it to make the risotto given below.

I have never used an asparagus pan so I cannot speak for the virtues of this equipment. I used to steam-boil asparagus, standing the vegetable with its feet in the water and its tips tucked under a loose hood of foil so that they cooked in the rising steam. I found this method admirable on paper but never entirely satisfactory in practice despite tying the bundles neatly in two or three places and wedging them with new potatoes to keep them upright in the pan.

Instead, over the past few years I have taken to steaming asparagus and I find this a far better method. Sometimes I use a large, old-fashioned, two-tier steamer about 12 inches in diameter which takes even the longest asparagus stalks with ease. Sometimes I use a jumbo-size Chinese bamboo steamer basket which sits snugly over my stock pot. Bamboo steamers, which are particularly attractive and cheap, can be bought from Chinese supermarkets (if they haven't sold out after the recent success of the restaurant Tall Orders). More grandly, you could use the Vapeur electric steamer, now back on sale in Divertimenti shops at £89.95.

The advantages of steaming asparagus are several. There is no need to tie it in bundles, which makes testing if it is done much easier. And steaming is not so speedy that the vegetable can turn from under-cooked to soggy the moment your back is turned. Steamed asparagus retains its colour well, the stalks stay firm and there is no danger of waterlogging.

ASPARAGUS & ALMOND RISOTTO

(serves 4-6)

About this time last year, we decided to celebrate with a special asparagus lunch. The idea was to gorge on nothing but asparagus and hollandaise sauce, with a modest bowl of fresh apricots to follow the cholesterol feast. Our plan, like many of the best laid, was thwarted at the 11th hour by the unexpected arrival of friends. With no time for further shopping, the twosome feast had to be stretched to become lunch for five. I made this risotto.

I used 1¼ lb asparagus on that first occasion although, in repeats of the recipe, I have discovered you can use as little as 1 lb without seeming mean. You can also replace some of the asparagus with fresh peas if needs be; but, in that case, the dish can hardly be called an asparagus risotto. The inclusion of almonds and bread crumbs may sound like an economy measure (particularly the use of the crumbs) but they make important contributions to the dish, adding nutty sweetness and crunch.

1 lb arborio rice; 1-1½ lb asparagus; 2-3 shallots; 3-4 pt good stock; 2 oz nibbed almonds; 2-3 oz very coarse bread crumbs; a little butter; 3 tbsp freshly-grated Parmesan cheese.

Method: Wash, trim and scrape the asparagus. Cut the tender parts into 1¼-inch lengths. Put them into the top part of a steamer pan (or into a Chinese bamboo steamer basket that will fit neatly over your stock pot) and reserve.

Throw away the tough bottom parts of the stalks or, if time permits, chop them finely after cleaning and cook them in the stock for about 20 minutes so they give their flavour to the liquor. Then strain the stock and discard the woody stalks.

Chop the shallots and soften them slightly in a generous nugget of butter. Stir in the rice and, when the grains glisten with fat, add a ladleful of the piping hot stock. Cook over medium-low heat, stirring occasionally, until most of the liquid has been absorbed. Then add more stock and continue cooking (always without a lid) for 15 minutes or so, stirring and adding stock as necessary, until the rice is creamily tender with a hint of bite in the centre of the grain.

While the rice is cooking, steam the asparagus over the stock and fry first the crumbs, then the almonds, in a little butter until crisp and golden. For my taste, the asparagus needs 8-10 minutes to steam (inclusive of brief interruptions each time more stock is added to the rice pan).

When the rice is ready, season it with the Parmesan, salt and pepper. Mix in gently but thoroughly the tenderly-steamed asparagus, and the crisply-fried almonds and crumbs, and serve straight away.

Philippa Davenport

It seemed a grand idea at the time

*Picking a tune is easy compared with picking a piano, says **Patricia Morison***

EMERGING FROM a recital by Alfred Brendel, the Austrian pianist, at London's Festival Hall, a pleasant fantasy entered my mind. Learning to play the piano would be my project for the decade, a simple and ecologically costless way to improve my quality of life.

The first step would be to buy a decent piano, one which would be a good friend to a novice. For my experiment a notional figure of £5,000 sounded reasonable. That would work out over the years at about £10 a week of, I hoped, steadily more harmonious *pleasure.*

Unfortunately, buying a piano proved to be a nightmare, to be compared only with buying a horse or a second-hand car . . .

I consulted a friend, Patricia Hancock, head of piano studies at Kingsway College in London. She was enthusiastic about Weinbach, a Czech firm which has made pianos since the begining of the century. Kingsway will be opening a large music centre in September and, after some deliberation, has decided on seven Weinbach pianos. I liked the idea of a Czech piano. It awakened thoughts of *Janácek* and furthermore, I scented a bargain.

Bosendörfer stocks Weinbach pianos, so my friend and I visited their Marylebone Lane, London, showrooms and their underground repository off Oxford Street. For an enjoyable hour, my friend played on half a dozen Weinbach grands and uprights. She was delighted and amazed at the reasonableness of the prices.

She preferred a Weinbach upright to a Yamaha which was twice the price, and felt the Czech piano had a "real *dolce* quality, which would blend marvellously in chamber *music." She commented on the* "affinity" of the Weinbach tone to the Bosendörfers. All of which amounted to a very solid recommendation.

The salesman then told us about Weinbach's sounding boards of spruce, grown and matured in Siberian permafrost. Plywood, used by certain competitors, seemed a rather alarming notion. The Czech production system – whereby one craftsman does all the regulation of an instrument – was contrasted with "the conveyor belt approach" of Far Eastern competitors. It all sounded, to a layman, reassuringly *old* world. However, at this point I noted a contradiction with my friend's experience of Far Eastern pianos. She finds them "variable, sometimes fine, sometimes bland and unyielding."

By this stage, ears awash with Schubert, I was in a state of some rapture. The feeling intensified on hearing that the smallest Weinbach grand (5 ft 1 in) is £5,950 (including VAT). A 5 ft 8 in is £6,250, whereas a same-size Bosendörfer is £20,355. Among the uprights, prices range from £2,100 to £2,835, with a wide range of veneers and finishes. The smallest Bosendörfer upright is *more than £10,000.*

Bosendörfer offers a discount to music teachers and students, so an upright selling for £2,835 would be reduced to £2,195. More germane to my inquiry, if within three years I wanted to upgrade to a Bosendörfer, the company will take it back at cost price, less Value Added Tax, if their technicians service it.


Glyn Genin

Patricia Hancock plays a Czech Weinbach grand

Could I get a little nearer a grand for £5,000? Yes, said Richard Webb of Intermusic at Poole in Dorset. Intermusic distributes pianos, bringing in one third of those imported into Britain. Petrof has the largest piano-making factory in *Europe at Hralec Králové,* making 25,000 uprights a year and 800 grand pianos. They also supply the actions (the "guts" of a piano) for all Czech makes. At Jacques Samuel in London's Edgeware Road, I could buy a 5 ft 2 in Petrof grand for around £5,000. I asked about Weinbach. Not stocked, I was told; a Petrof was a much better instrument.

At this point, my quest became complicated. By chance I picked up the March issue of *Classical Music,* which carried an interview with Chris Venables, a piano dealer at New Milton in Hampshire. Venables denounced the murky pricing methods which he claims are now widespread in the piano business, and which are highly damaging to its image. Many dealers operate a two-tier pricing system, adding approximately 30 per cent over and above the accepted wholesaler-to-retailer mark-up. The punter either pays the inflated price or is lured into a purchase by an apparently splendid "discount."

Venables produces a printed guide to pianos, now updated, which he provides free (0425-688866). Tests were carried out by an unnamed team *of four, two "leading tuner/technicians,"* "a recent winner of the piano teacher of the year award," and "a concert artist and teacher." I noted that Bosendörfer, Bentley, Young Chang and Fazer declined to supply pianos so were not included in the tests. Somewhat oddly, in the section on manufacturers and their trading names (a complicated matter these days), there was no mention at all of Bosendörfer. Nor did Weinbach feature. Petrof did, and was marked third from bottom in the section on grands, fifth from bottom in the uprights.

What did Venables think about Weinbach? "The Skodas of the piano world." However, it was not a completely negative judgment. "They have a nice tone, and are not badly constructed, but they are difficult to regulate," was his view. He then contradicted almost everything I had heard.

Steinways are constructed from plywood, and far from there being anything wrong with the stuff, it makes the strongest structure which cannot warp, bend, split or crack. The computerised methods of a manufacturer like Yamaha produce standardised pianos which "have less room for error and are better finished than anything out of eastern Europe."

I could buy a Yamaha 5 ft 3 in grand for around £5,399, always remembering to ask for a discount. It would not have the "soft, pretty sound" of a Weinbach – or in my friend's judgment, "warm and clear." In the Far East and America, *they like a bright, metallic* sound. However, a Yamaha technician could change that by driving pins into the felt.

To Venables, my method of choosing a piano (by taking along a professional) had been misguided. He suspects that teachers have prejudices which warp their hearing before they even start to play.

The crucial factor is durability, the quality of components and the construction. These are what distinguish an expensive piano from a cheap one. As a result, Venables was cool about the idea of going for a second-hand piano, although he thought there was a case to be made for reconditioned Steinways, Bechsteins, Bosendörfers and pre-war Blüthners.

Feeling by now bewildered and thoroughly disenchanted, I consulted Edward Higginbottom, director of music at New College, Oxford. In general terms, he was reassuring. Unlike cars, pianos are a reasonable investment. One course would be to spend more on a well-reconditioned famous name, perhaps £10,000 for a post-First World War Steinway, Bosendörfer or Bechstein. As long as I was well-advised about the state of health of my purchase, it should be a piano which will hold its value and even increase.


Trevor Humphries

Andrew Kemble, of Yamaha Kemble, with a line-up of pianos

Ah, there's the rub. "An honest piano broker is a rare thing and it's hard to avoid mistakes," says Higginbottom.

How, then, does a novice get good advice? Higginbottom recommends the help of someone with a good reputation for repairing or reconditioning.

One of my favourite pieces is Janácek's "In the Mist." At the end of all this, I was certainly in a fog. My fantasy still beckons, but should it be a Czech piano which will lead my beginner's steps along the path?

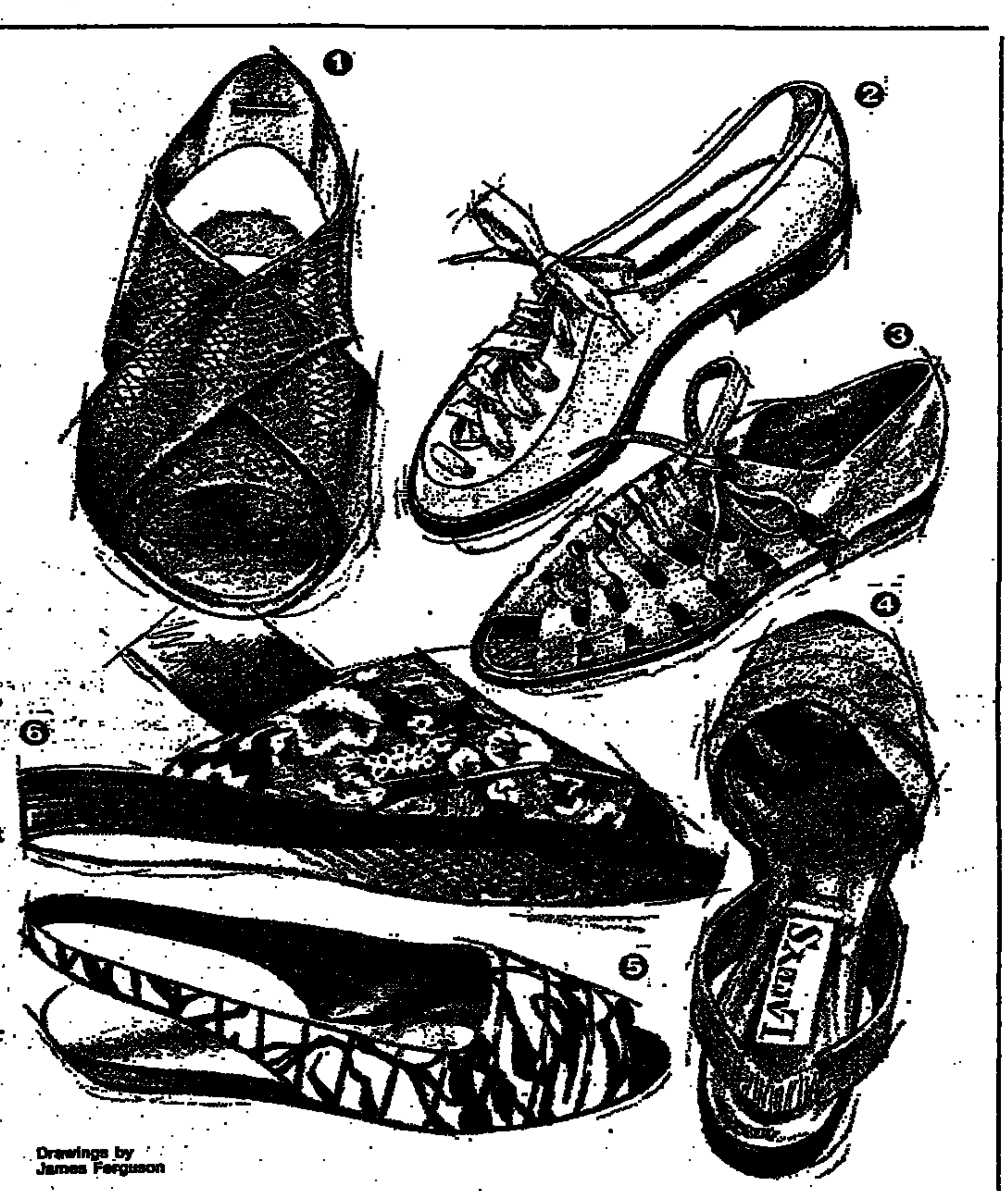
Walking back to happiness

ONE OF THE brighter aspects of the retailing scene, from the consumer's point of view, is that whereas once the UK's high streets seemed awash with shoes that one hoped never to see again, let alone to put upon the foot, these days one has to restrain oneself from buying.

The scene really has been transformed almost out of all recognition. Whereas before there seemed to be a choice between the cheap and nasty mass-produced items that no designer would have had anything to do with and the rather sedate and middle-aged designs in the quality shops, these days the once stodgy shops are producing infinitely beguiling fashionable footwear, while the cheaper end of the market has brought some designers in on the act.

Whether you are spending £25 or £150 this summer you ought to be able, somewhere, to find a shoe to suit. This isn't to say that the £25 model will be as fine or desirable as its £150 cousin, but it will at least be in an up-to-the-minute shape. And if it doesn't last forever – well, you can buy a new pair next year.

For example, for years nothing was harder than to find a really attractive summer sandal. This year you are spoiled for choice. Sketched here are just some of the best.



Drawings by James Ferguson

■ 1. The perfect sandal to accompany the currently fashionable safari-look. In grained leather in tan, khaki or black, it has a lowish heel and cross-over straps. £118 from Fratelli Rossetti shops at 196 Sloane Street, London SW1 and 177 New Bond Street, London, W1. Sizes 35 – 40½.

■ 2. See-through beige or black nylon mesh on a rubber base, high-fashion version of the sporty sneaker. Sizes 36 – 41, £175 from Joseph, 77 Fulham Road, London SW3 and 26, Sloane Street, London SW1. (Mail order available, £4 post & packing).

■ 3. Tan or navy leather new-season lace-ups. Sizes 3 – 8 from Max Bally, 92 King's Road, London SW3.

■ 4. Another sandal of the sort that looks good with summer shorts and all the safari looks. Made from newbuck (a stronger version of suede) it comes in tan, cream or khaki. £34.95, sizes 4 – 8 (plus half sizes) from Fenwick, 63 New Bond Street, London W1. (Mail order, £2 extra).

■ 5. From Crispins, that haven for the tall and large, a striking black and white parchment fabric shoe embellished with black patent leather. ¾ in heel, leather sole. Sizes 41 – 44 (English sizes 8 – 11C), £76.95, from Crispins or 28 – 30 Chiltern Street, London W1, or from Crispins in the Royal Exchange Shopping Centre, St. Anne's Square, Manchester M2. (Mail order £2.75 extra).

■ 6. Rather Oriental sandal in brilliantly-coloured fabric – either a black, cream or white background with coloured flowers. Sizes 3 – 8, £9.95 (p&p £2) from Fenwick of 63, New Bond Street, London W1.

Lucia van der Post

Love triumphs over good sense

MARTIN AMIS'S new novel lies abandoned and, frankly, the *Economist* is far too boring now that I've found a magazine called *Classic Bike.*

I might be missing out on economic trends and the latest developments in literature but I could write a thesis on the bewitching beauty of old motor-cycles. I have finally bought the bike I always wanted and now I'm going to buy more. Friends and family despair. But this is what happens when you suppress a *teenage dream for too long.*

I own a Triumph Bonneville, a true British classic complete with the essential vibration and oil leaks that helped to secure its demise. I'm looking for a 1960s' Harley-Davidson Electraglide in blue or black and, possibly, a BSA Lightning of similar vintage (although a Velocette Venom with fish-tail exhaust is also rather attractive . . .).

The three will cost me around £10,000, part of which sits in the Abbey National generating a safe but very boring rate of interest. In five years I could sell my motor-cycles and make a decent return, because classic bikes can be a good investment. Meanwhile, I'm having far more fun with two cylinders throbbing beneath me than I ever had with my savings book.

Last year Eddie Shah, the newspaper owner, paid a record £44,000 at a Sotheby's sale for a rather beautiful 1930s' bike called a Brough Superior SS100. Last month, Sotheby's sold a 1955 Vincent Black Shadow Series D for £20,000 to a Japanese collector.

Unlike classic cars, the market for which has levelled off in the past year, old motorbikes have increased in value. This must, though, be seen in context. "One expensive motor car could wipe out the whole bike market, in terms of value," says Sotheby's consultant, Michael Worthington-Williams.

The Broughs and Vincents *are top collectors' pieces* and demand high prices worldwide. But you can still buy a presentable pre-1915 bike, which would qualify for the Pioneer Run to Brighton, for about £4,500. And classic Triumphs or BSAs from the late '50s or '60s, in near-perfect condition, are available for about the same price and less.

Their value will increase over time. But this return should be balanced against the problems of investing in consumer durables. A classic bike might give a sizable return (which is free from capital gains tax) but there are practical drawbacks.


Peter Knight: bewitched by a Bonneville

Looks, for example, are as important as mechanical soundness. This means the bikes have to be stored, preferably in a heated garage free from rats, which like to eat the upholstery and cable cov*ers. Engines have to* be *turned* over regularly and the tyres rotated and kept inflated.

The bikes have to be insured and, if you intend to ride them, taxed and with an MOT, too. Then you need a motor-cycle licence. And, given that you are riding obsolete equipment, be prepared for expensive breakdowns.

To get a motor-cycle licence is time-consuming but relatively easy. You have to take two separate tests. The first involves a day of training and the second about 45 minutes pursued by an examiner in radio contact on another bike.

There are special insurance schemes which cater for collectors. The bikes have to be garaged, but the premiums cost around a sixth of conventional insurance and extra bikes can be added.

Buying the right bike is the difficult part but, besides riding them, it also provides the fun. Reading magazines such as *Classic Bike* is essential to get an idea of prices and availability. It is also wise to get an authoritative book on the particular make you want.

Most of these are produced by Roy Bacon, a veteran writer in the field. His publications contain essential information for buyers, such as what engine and frame numbers to look for.

An old motor-cycle's value is related to its authenticity. Because parts often are interchangeable, many motor-cycles now for sale are made up of spares. This reduces the value; novices can be caught out by spending too much on a bike with, say, a mis-matched engine and frame.

There are three main ways to find a bike. Magazines carry small ads from readers. Auction houses, such as Sotheby's and Philips hold regular sales while specialist dealers hold sizeable stocks. All options have pitfalls. Auctions can *offer bargains but, while the* houses make every effort to describe the bikes, there is no guarantee that the machine is sound mechanically.

Private sales are as problematical, but at least you can listen to the engine, test the compression, check for oil leaks and, possibly, take a test ride. In both instances, a knowledgable friend at your side is a strong advantage. Failing that, find a reputable dealer, who should offer some form of guarantee.

I bought my first bike from a well-established dealer called Verralls in Tooting Bec, *London. It developed a bad oil* leak immediately and the firm offered my money back or a similar bike. For someone like me who has difficulty telling the difference between the carburettors and the crank-case, this guarantee is worth a premium of a few hundred pounds just for the peace of mind. However, my friends think this is a further waste of money because I've lost my mind, anyway . . .

■ *The 10th Anniversary Classic Bike Show is on April 28/29 at the Stafford County Showground near Stafford. Sotheby's is holding a motor-cycle auction at the show on April 29. More information from Sotheby's on 0(7)1-493-8080.*

Peter Knight

CHESS

EARLY ROUNDS of the Watson, Farley & Williams international, which ended this week, suggested an interesting struggle of generations. The leader was Bent Larsen, 55, world title contender of the 1960s and 1970s when his great rivals were Bobby Fischer and Boris Spassky. His closest pursuer was the 22-year-old American Patrick Wolff who went to the front after Larsen's defeat in the eighth round. With two rounds to go Larsen and Wolff were joint leaders well ahead of the rest.

The WF&W annual – noted for the unrivalled gourmet snacks supplied to competitors and spectators – is sponsored by a firm of City solicitors which specialises in international and commercial law, and is hosted at its offices in Minories. The Corporation of London is co-sponsor and this year's first round was played at the Guildhall.

When the tournament began, it was soon apparent that Larsen, who won last year in fine style, was again in excellent form. Times change. Not many years ago, Larsen used to deride British events for their poor playing conditions; now, he admits that London stimulates his creative energy.

His best game from the early rounds was a triumph for his preferred long-distance strategy, chipping away at his opponent's centre from the flanks. Black's pawn front looks impressive, but the White pieces always threaten to infiltrate round the back at a7 or b6.

Black makes a few barely perceptible errors – at move 19, it is better to recapture with the rook rather than the bishop, while a few moves later he should try to defend by Bc4-f7 – but these are sufficient to improve White's position from pleasant to winning. At the end, Black concedes because if 29 ... dxc5 30 Qxd7 and White either gains decisive material or mates.

White: B. Larsen (Denmark).
Black: J. Tisdall (Norway).
Dutch Defence (Watson, Farley & Williams international, City of London 1990).

1 c4 f5 2 Nc3 Nf6 3 d4 g6 4 g3 Bg7 5 Bg2 O-O 6 Nf3 d6 7 O-O Nc6 8 d5 Na5 9 Qa4 c5 10 dxc6 bxc6 11 Nd4 c5 12 Ndb5 Rb8 13 Nxa7 Bd7 14 Nab5 Kh8 15 Bg5 h6 16 Bxf6 Bxf6 17 Rac1 Bxc3 18 Rxc3 Nxc4 19 Qxc4 Bxb5 20 Qf4 Kg7 21 Qe3 e5 22 Rd1 Qf6 23 Qd2 Rbd8 24 Ra3 e4 25 f3 exf3 26 Bxf3 Rd7 27 b4! Rff7 28 Ra5 Bc4 29 bxc5 Resigns.

The WF&W programme stated that the previous recorded chess within the City walls was as long ago as 1872, but this is not quite correct. In 1976, Julian Hodgson, then a 12-year-old prodigy and London amateur champion, gave a simultaneous at the Guildhall against City opponents to launch Lloyds Bank's chess sponsorship. Hodgson, now a grandmaster, celebrated his return by defeating the WF&W top seed, Murray Chandler.

In truth, White's pawn sacrfice at move 18 (where 18 Rxa3 Qb2 gains material) is not really convincing, but Chandler became short of time and fell for Hodgson's elegant final attack which won the black queen.

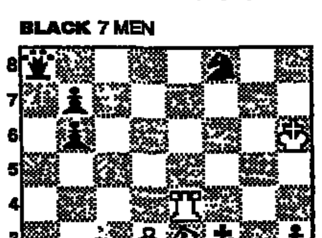
White: J.M. Hodgson.
Black: M. Chandler.
French Defence (WF&W 1990).

1 d4 e6 2 e4 d5 3 Nc3 Nf6 4 e5 Nfd7 5 f4 c5 6 Nf3 Nc6 7 Be3 a6 8 Qd2 b5 9 a3 Bb7 10 Qf2 Qa5 11 Ra2 Qb6 12 Ne2 b4 13 Nd2 a5 14 Nb3 c4 15 Nd2 Ba6 16 c3 bxa3.

17 bxa3 Bxa3 18 g4 Be7 19 f5 Qd8 20 Bg2 Bh4 21 Ng3 O-O 22 Nf3 Rb8 23 O-O Rb3 24 Bd2 Bc8 25 f6 Bxg3 26 Qxg3 gxf6 27 exf6 Nxf6 28 Ng5 h6 29 Qh4 Nxg4 30 Qxg4 f5 31 Qh5 hxg5 32 Qg6+ Kh8 33 Bxg5 Qe8 34 Bf6+ Rxf6 35 Qxe8+ Resigns.

PROBLEM No. 821

BLACK 7 MEN

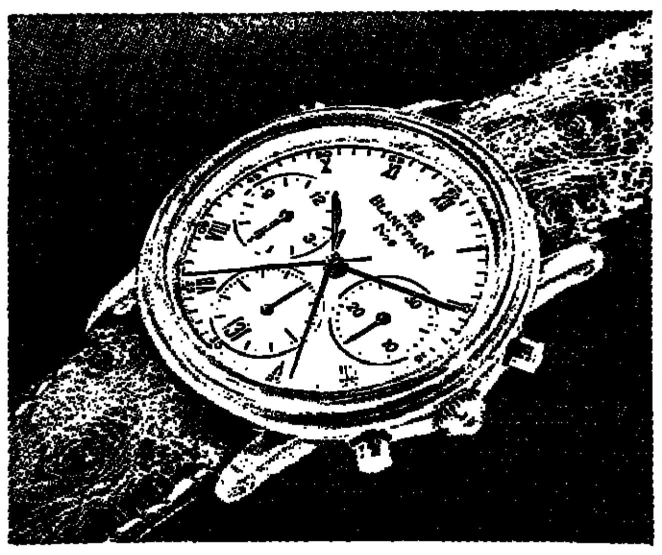


WHITE 5 MEN

White mates in two moves against any defence (by C. Mansfield, 1958). This week's problem was among the many by Britain's greatest composer which won first prize in a tournament. As a clue, the key piece is the knight, but solvers still have to find why only one of the knight's eight possible moves works.

Solution Page XXI

Leonard Barden



GARDENING & MOTORING

The new 1.1L . . . still recognisably a Metro but everything seems to be of better quality

Metro has a heart swap

Rover's baby catches up with the Nineties, says ***Stuart Marshall***

THE NEW Rover Metro, which went on sale this week, doesn't look all that much different. But as soon as you get behind the wheel, turn the key and drive off, you know it has had a heart transplant.

Instead of a museum piece of an engine dating back to the 1950s, it has one of the excellent new K-Series used first in the Rover 200 and 400. The old four-speed, without-the-option gearbox has been replaced by a new five-speeder, designed by Peugeot but modified and made under licence by Rover.

And you feel you really are sitting in a baby Rover because the front seats are practically the same as those in the 200/400 hatchback and saloon.

So far, the K-Series engine has been seen only as a fuel-injected 1.4-litre with 16 valves. The Metro has carburetted 1.1- and 1.4-litre versions with eight valves. Only the Metro GTi has the more powerful 16-valve 1.4.

The five-speed gearbox is standard on all 1.4 Metros but, of the three 1.1-litre cars, only the "S" has one. On the "C" and "L," it is a £220 extra. The K-Series lean-burn engine runs on unleaded petrol and any of the new Metros can have a catalytic converter fitted for £295.

Prices range from £5,895 for the entry model Metro 1.1C to £9,735 for the five-door Metro 1.4GS.

The Metro represents one-third of Rover's business. The idea of the power train transplant and the other improvements is to keep it well up in the sales charts until at least the mid-1990s, when a Honda-based Rover small car can be expected.

Rover says it has tried to give the Metro a less stodgy and practical image. The cheaper ones are still aimed at traditional Metro buyers but Rover thinks the leather- and walnut veneer-trimmed 1.4GS five-door will appeal to motorists wanting to move down in size but not in quality. The GTi 16v is for younger drivers who want to cut a dash.

From the front, the new Metro looks rounder and more aerodynamic, with the radiator intake incorporated in the moulded bumper. The changes are not just cosmetic.

Because the K-Series engine and gearbox take up more space than the old one, which had the gears buried in the sump, all the front-end sheet metal is new and the track has been widened by 34 mm (1.34 in).

The rest is much as before although there has been some tidying-up in the body and the rear lights, tail-gate and bumper are new. Inside, it is recognisably still a Metro, but everything seems to be of better quality.

Perhaps the most radical and welcome change is to the driving position. You now sit as you would in a proper family saloon and are no longer reminded constantly that the Metro sprang from the Mini's loins.

When I dipped into the new Metro collection recently, I tried the cheapest first – a basic £5,985, 60-horsepower 1.1C with four-speed gearbox which has replaced the old Metro City. It is a sweet little car; everything a reasonably priced runabout should be. The engine is willing and refined, the gear-shift light and precise.

It was pouring with rain and the minor roads of Wiltshire were awash in places. The Metro clung-on tightly when cornered fast and rode like a far bigger car.

Fairly narrow tyres make the steering light at low speeds and for parking. On the M5, it kept up with the homeward-bound commuters.

Next day, the sun shone and I drove the poshest, dearest Metro, the £9,785 1.4GS with a 1.4-litre, 76 bhp (75 with catalyser) engine.

I had not really missed the extra gear when driving the four-speed 1.1C and I don't think people who use a Metro for short-distance town driving would, either. But the five-speeder in the 1.4GS came in handy as I drove through the Cotswolds, catching glimpses of a sparkling Severn far to the west.

The fairly close-ratio third and fourth gears, aided by an eager, flexible engine, made for quick overtaking and hill-climbing.

As a finale, I had an entertaining hour or so in the GTi 16-valve, with 95 horsepower (90 with catalyser), firmer springing and wider tyres. What is lost in ride comfort is gained in sharper steering response and even better road-holding.

A top speed of 114 mph (200 kmh) is claimed. I suppose that is on the low side by today's hot hatchback standards but, unless you are driving on the *autobahn*, who cares? What I liked about the Metro GTi, which costs £9,500, was its strong acceleration and good pick-up, especially in fourth gear, between 40-60 mph (64-96 kmh).

Combined with compactness and good handling, it makes for brisk and enjoyable driving on typical non-motorway journeys. It was almost like re-discovering the joy of driving the first VW Golf GTi a decade ago.

There is no automatic version of the Metro with the K-Series engine although one is due within the year. For the time being, the old Metro 1.3 Clubman automatic stays in production. It costs £7,655.

Coys launches investment guide to classic cars

AS CLASSIC cars are now looked upon as investments, why not publish an index so their relative value against others can be shown? Coys of Kensington (Holdings) has grasped the nettle and launched Coys Index, described as the first official independent monitor to rationalise the historic car market as an investment option. It charts the investment performance of pre-1970 classic cars worth more than £100,000 (class A) and between £50,000 and £100,000 (class B). The index shows that, in the past 10 years, top pre-war and post-war classic cars have had substantial and consistent capital growth. Their annual compounded rate of return was 35 per cent, or more than twice that of the stock market as represented by the FTA 500. The index is published quarterly. Annual subscription to the full investment market report, which includes a copy of Coys Value Guide for collectable cars and its quarterly up-dates, is £1,500. Details from 071-581-0172.

A Tudor know-it-all

Robin Lane Fox seeks guidance from ancient times

WE ARE ALL being tested severely by this season. The irises and wistaria have been flossing for a fortnight; the pinks are in bud; the roses will be out before the Chelsea Flower Show; what will be left for July? Will it stop freezing at night and will it rain properly by day? Has the gardener's world gone mad, and what can we do about it? I can find no comfort except to take the long view. In English, the longest view stretches back to the first popular gardening book, a text called the *Gardener's Labyrinth* by Thomas Hill.

Hill is rather a mystery. He was born in 1529 and published his book in 1577 but we do not know where he lived. I have, however, come to believe that his aim in life was to appear as the presenter of television's *Gardener's World*. The aim explains his style and output.

He began by writing on astrology and the interpretation of dreams (you know how television likes science and forecasting). He published *1572: A Prospect*, which was probably serialised in the New Year issue of the *Tudor Times*; he was long-winded; he had an answer for everything; and, like several columnists, he discovered gardening as the way out.

He claimed to have worked for 40 years as a gardener, but nobody knows where he did it or whether he had a garden of his own. He gave masses of advice about vegetables, which nobody bothered to grow for themselves; most of what he wrote was pinched from somebody else, and quite a bit of it was inaccurate.

The BBC (I assume) were longing to put him on contract but, unfortunately, he died before they had a vacancy. He did, however, live through some truly awful weather, the worst of which was exactly a problem in 1990: ruinous spring frosts. He knew all about the "burning and blasting of tender blossoms." Some of the Elizabethans blamed the early-morning sunshine because it burned up the dew, but Hill realised that the culprit was frost by night. Behind it lay the hand of Heaven: "The blasting of the tender blossoms of Trees and Vines is named sideration": it was due to a malign star or heavenly body (stars are *sidera* in Latin).

In 1990, therefore, we have all been suffering from acute sideration without knowing it. This must be the problem because Hill says it often coincides with public calamities (which he thought usually were visible in food shortages but, I daresay, could extend also to the Conservative

Party). Obviously, my pear trees and magnolias have been siderated, but what worries me is that the worst is probably yet to come. Hill warns that the really dangerous day for sideration, in a siderating season, is May 9, especially if the weather is "calm and clear."

Against spring frosts and droughts, there are all sorts of precautions. Apparently, we should all have piled up dry weeds, thistles and waste plants, directed them downwind and burnt them; the "evil" is then averted, although it is not clear if he means the public evil or the frost – it might be worth trying against the poll tax.

We should also try burning cow dung with the horn of an ox or bull "making a right smoke round the garden"; pig dung, evidently, is no substitute, as I have my usual Easter heap by the back door where sideration has been particularly severe in the past month. In future, we should all sow beans "like the Greeks" and "avoid by that means the frost falling." If you have already been siderated, you can burn the wood of a fig tree and sprinkle the ashes on the damaged growth. If you do not have a fig tree, the roots of a wild cucumber, soaked in water, will be just as good.

It is consoling to know that the Tudors, without any aerosol sprays, shared our problems of climate; it is comforting, too, that their gardening books were as full as ours of advice which gardeners never bothered to try out. In fairness, I should say that Thomas Hill was particularly forthright on the problem of weasels. If you happen to be bothered by weasels this spring, he recommends that you should catch one, "cut off its tail and testicles" and leave it "to pass to and fro again, for by that means others, perceiving the like sight, will depart the place." So would I, if I were an Elizabethan weasel.

As long as we have been gardening in Britain, the spring weather has frozen unpredictably. Writers have known all the answers but found no solution; there is nothing new beneath the burning sun on blossom. Watch out for May 9 and watch out, too, for weasels; there has been some unexplained die-back on a few of my best delphiniums and nobody had warned me before about the weasel problem. If I catch one, I will give it the Hill treatment.

Where, though, do you find the parts in question without being bitten first? Some bits of gardening wisdom have not survived the Tudor age.

Hail to the hybrids

Arthur Hellyer on the many virtues of verbena

MOTORING through Georgia and South Carolina the other day, I found many of the road verges bright with the deep magenta flowers of the rose vervain or rose verbena. It was a reminder of how neglected this family is by gardeners, although some effort has been made by seedsmen in recent years to bring it back into favour as a summer display plant.

This got a fillip in 1981 when the international organisation, Fleuroselect, gave a bronze medal to a vivid rose-and-scarlet variety named Tropic. But this was a hybrid of purely garden origin, so mixed in pedigree that it would be impossible to trace its ancestry with any degree of accuracy. By contrast, the rose verbena is a true wilding, a plant that was growing along the south-eastern coastal region of North America long before man arrived there.

Rather unfortunately, it has been given the botanical name Verbena *canadensis*; this would suggest a Canadian origin and complete hardiness, whereas it grows much further south and disappeared from the road verges as soon as I reached North Carolina. The importance of this for British gardeners is that it is not reliably hardy, except in the mildest, sunniest places in well-drained soils.

The only nurseryman I know who sells plants is M. C. Wickenden of Cally Gardens, Gatehouse of Fleet, Castle Douglas, Scotland, but seed strains are offered occasionally under another name, Verbena *aubletia*, possibly with the addition *perfecta* to indicate that it has been improved.

What can be purchased as plants from quite a lot of nurseries and some garden centres is Verbena *peruviana*, an even more prostrate plant than *canadensis* and one with pure scarlet flowers, a colour many people would regard as more attractive than the rather barbaric red-purple of the rose verbena. It has been grown and admired ever since its introduction from South America early in the 19th century but it is rather tender – more so, I think, than the rose verbena – and, in most British gardens, it is necessary to over-winter it in a reasonably frost-proof frame or glass-house.

I think the very beautiful clear pink verbena named *Sissinghurst* is a selection from this, or possibly a hybrid between it and one of the larger-flowered garden varieties; but, if so, it has retained the smaller, neater flowers of the wild species. Both *peruviana* and *Sissinghurst* are plants I like very much, although I find them rather difficult to retain in my rather heavy, poorly-drained soil.

There is much less difficulty with Verbena *rigida*, a plant of totally different character which anchors itself firmly into the soil with long, tuberous roots and makes an erect, branching plant up to 2 ft high with clusters of rather pale violet flowers. It would appear that the variety sold by seedsmen as Verbena *polaris* is a selection from this useful species.

Right at the top of the height scale is Verbena *bonariensis*, a rather gawky plant not unlike V. *rigida* in its slender, yet stiff, stems but pushing them up to shoulder height and spacing them too widely for a single plant to make much effect. Yet, growing up through shorter perennials or small shrubs, they can be intriguing and, when many plants are grown together, they make a good display which comes, most usefully, late in summer and autumn.

The flowers are small, light purple, crowded into flattish heads and much loved by butterflies. It produces a lot of seed, much of which germinates where it falls so that a single plant can multiply itself abundantly without any assistance provided the climate is mild and the soil porous.

But, no doubt, the best introduction to the verbena family for most garden-owners will be given by the hybrids, which are now being offered in ever-increasing numbers in the seed catalogues. Last year, a trial of these was held by the Royal Horticulture Society at Wisley, Surrey, in which a considerable number of excellent varieties was entered with names like Derby Scarlet, Romance Rose, Showtime Belle, Concorde, Sparkle and Springtime.

All have larger individual flowers than any of those I have been describing, in a variety of good colours including reds, pinks and blues plus white. All are sprawling plants capable of spreading a couple of feet or of being trained up short canes to make what the display experts call "dot" plants in a carpet-like display. All are, strictly speaking, perennials which could be retained over winter in a glass-house, but are renewed from seed so readily and cheaply that this is the invariable way they are grown today.

As they are not true annuals, they have not acquired the ability to rush into flower within a few weeks of germination and so need to be sown fairly early – late in February or the first fortnight in March – in a temperature of about 16 °C (60°F). Seedlings must then be transplanted into trays or potted singly in three-inch pots to be acclimatised for planting outdoors in May – but not too early in the month if the district is cold or the season is late. They will reward with at least a couple of months of fine colour.

Verbena Tropic . . . a bronze medal in 1981

BRIDGE

THE LORDS versus Commons match took place recently and resulted in another win for the Lords.

This hand saw the start of the fall of the Commons:

N
♠ 7
♥ A Q J 9 8
♦ K Q 7 3
♣ K Q 7

W
♠ Q 9 5 4 2
♥ 7 4
♦ 9 2
♣ 10 8 4 3

E
♠ K J 10 3
♥ 6 5 3 2
♦ J 8 5
♣ J 5

S
♠ A 8 6
♥ K 10
♦ A 10 6 4
♣ A 9 6 2

With both sides vulnerable, West dealt. North (for the Lords) opened with one heart. South replied with three clubs and North raised to four clubs.

South re-bid four diamonds, North introduced Blackwood four no-trumps and, after South's reply of five spades, went six clubs.

West led the three of clubs. Winning with dummy's queen, the declarer crossed to his king of hearts, cashed the ace of spades and ruffed a spade with the club seven.

Then he cashed the club king, East dropping the knave, and cashed two heart honours, discarding his other spade.

He crossed to hand with a diamond, drew one of West's trumps and ran off his winners, prepared to concede one club to West's club 10.

All 13 tricks are there for the taking in no-trumps, hearts or diamonds. The six clubs is not the best contract, but at least North-South did bid a slam.

In the other room, after North's opening bid of one heart, South said two no-trumps (correct only if the Baron convention is used). He was raised to three and made 13 tricks.

A few hands later, this occurred:

N
♠ A Q
♥ A K 6 5 4
♦ K J
♣ K 9 5 3

W
♠ 8 7 6 3 2
♥ 9 2
♦ 9 6
♣ Q J 6 2

E
♠ J 5 4
♥ Q J 7
♦ Q 7 5 3 2
♣ A 4

S
♠ K 10 9
♥ 10 8 3
♦ A 10 8 4
♣ 10 8 7

With neither side game, West was dealer. North (for the Lords) opened with one heart (why not two no-trumps?) and South replied with one no-trump. North re-bid three clubs and South's three no-trumps concluded the auction.

West opened with the three of spades. Winning with dummy's ace, declarer returned a low heart, which is surely correct. East took with queen and led a spade. The hearts broke, so the declarer had no difficulty in getting home with three spades, four hearts and two diamonds.

In the other room, North opened with two hearts (not recommended), South said two no-trumps, North re-bid three clubs, South said three hearts and North went four.

East led the four of spades. North took with his ace, cashed ace, king of hearts and the spade queen; and threw East in with a trump. The spade return was won in dummy. South led a club and played dummy's king. East had the ace and South went down.

After making the spade king, South must lead the seven of clubs and run it, if it is not covered, playing West for either queen or knave (or both).

E. P. C. Cotter

PERSPECTIVES

Tony Andrews

History lesson: David Lascelles (left) with acting headmaster Alan Evans-Jones

Back to School

Lancing's enduring quality

***David Lascelles** with the first of a new series*

TWENTY-EIGHT years seems like a chasm of time. On the far side is a jumble of memories, some still vivid, like being biffed by an obnoxious Latin master, or getting into the school fives team. Others are just a blur: the apprehensions of new boy-hood, and the mellow pleasures of seniority.

It all came flooding back as I drove up to the great neo-Gothic pile on the side of the Sussex Downs. "Lancing?", people always say. "That's the one with the chapel isn't it?" Yes it is. The God box, as we called it, left me profoundly atheist and wary of monumental schemes, but it introduced me to the wonders of Gothic architecture and Bach organ fugues, for which I am grateful.

Actually, the chapel had less influence on our lives than you might expect. We trooped in there nightly for half an hour of prayers and hymns in accordance with the wishes of our founder, the redoubtable Nathaniel Woodard, who once said: "Education without religion is, in itself, a pure evil." But contrary to this harrowing stricture, Lancing's regime has always been remarkably liberal, a paradox which Basil Handford, its historian, explains thus: "It is typical of Lancing which, owing perhaps to its high purpose, has always refused to be seen to be taking itself too seriously."

We – or at least the group to which I belonged – were allowed to pursue a host of eccentric interests, unhampered by pressures to excel at games or shape up as future leaders of the land. To my knowledge, few of my generation have risen to prominence in business or politics, but plenty blossomed in culture and the arts: playwright David Hare, lyricist Tim Rice, Oscar-winner Christopher Hampton, and the FT's cinema critic Nigel Andrews. It was fashionable to be intellectual. We belonged to a culture which reached back to Lancing's best-known son, Evelyn Waugh – world weary without actually knowing what the real world was all about. Tom Driberg, the flamboyant Labour peer also went there.

A familiar wind cut into me as I stepped out of the car, a reminder of the more bracing qualities of life at Lancing. But it was a stirring moment: the bright spring sunshine sparkled on the flint structures whose every detail I realised I still knew intimately.

How much had changed? I spent the day there, talking to masters and pupils, sitting in on lessons and meals, visiting my old house with the curious sensation of knowing all about the past but nothing about the present.

The mood of the place was upbeat, buoyant. In the lofty dining hall or in the more intimate confines of their studies, people were keen to talk about life, education policy, discipline, the road ahead. . . But I came away without a clear-cut message. Like a wave breaking on a rocky beach, change has swept through, but the enduring shapes remain.

Some things are dramatically different – and for the better. Lancing now admits girls to the sixth form, which has done wonders for the boys' social life: there are discos on Saturday night. But this change has also sharpened competition at the top of the school. As one girl said to me with a flash in her eye: "If a boy does better than me, it makes me really cross!"

Facilities are also vastly better. Only the senior boys had studies in my time, now most have their own bed-sits from the age of 15. There is a fine new music school and swimming pool; even carpets in the classrooms.

> *'We were world weary without knowing what the world was all about'*

On the teaching side, it was good to see the classics yielding some place to more modern subjects like economics, technology and business studies. In languages, my own subject, there seemed to be much more emphasis on the spoken word and the contemporary scene. I became an expert on obscure 19th century German playwrights but was taught literally nothing about the Federal Republic.

A few cameos highlight the ways things change. Some boys have credit cards. School teams tour places such as the Far East and Australia. For most boys, the only uniform requirement is a tie. The word "professional" is used unblushingly to describe the school's approach to its work – a word that would have been disdained a quarter of a century ago. And chapel has been cut to one compulsory service a week on Sundays, a tremendous concession to the new realities.

But I detected much less change than I expected in the overall regime. Alan Evans-Jones, the acting headmaster (the headmaster, Jim Woodhouse, has taken a term off to lecture in the US) told me that school policy was still to "leave room for individuality," though the rules also still matter.

Possibly because Lancing – motto: Beati Mundo Corde (blessed are the pure in heart) – was always liberal, it had less reason to change. There are the same irksome restrictions about going into Brighton and even Worthing, that well-known south coast fleshpot. Miscreants still have to write lines. But within those bounds the boys and girls are left very much to their own devices: few compulsory activities, but a wealth of good facilities which are well used. And it works: the school's academic and sporting attainments are high, and numbers are at record levels.

Some of the longer-serving masters advised me that I would have seen much bigger changes if I had returned 10 to 15 years ago when youth was going through its rebellious phase.

I was curious to find out how much the culture of the school had adapted to the demands of Thatcherite Britain. Was Lancing fostering a new generation of entrepreneurs to do battle in the international market place with the Germans and the Japanese? Were these privileged and capable boys and girls mapping out ambitious careers in industry and finance?

The answer to both these questions, I fear, is few. Apart from those who dream of making their fortune in the City, many have have set themselves the vaguer goal of achieving "intellectual fulfilment." One boy even told me: "The most prestigious thing you can do here is go to university to read classics"!

That is not to say that science is not thriving at Lancing. But the cultural divide between arts and science has narrowed less than I expected. Perhaps pupils should not be asked to specialise so early on. Perhaps more businessmen should become teachers.

Those are suitable questions for Sir Derek Alun-Jones, the ex-boss of Ferranti, who is chairman of the school council. Personally, I find myself divided. I still look back on my last two years at Lancing as some of the most stimulating of my life. But I now know that more maths and science would have done me a lot of good.

Night had fallen by the time I left. I looked back to see the chapel floodlit and huge against the hillside. I resisted the surge of nostalgia. But it had been an intensely personal day in which I had rediscovered part of myself as well. By the standards of some public schools, Lancing is a mere upstart, only 142 years old. But I had sensed its permanence.

Archaeology

The man who unearthed Troy

***Kerin Hope** on the vindication of Heinrich Schliemann*

THE REPUTATION of Heinrich Schliemann, the German-born businessman who turned to archaeology after amassing a fortune in the mid-19th century, has taken a battering in the past few years.

Even in his own day, Schliemann's lack of scholarly background made him an easy target. Study-bound classicists were unwilling to accept that an enthusiastic amateur determined to take Homer's *Iliad* literally could unearth a prehistoric city with a plausible claim to being ancient Troy.

Recent studies accuse him of misrepresenting events in his own life, and even of fabricating one of his greatest finds from the mound at Hissarlik, the golden hoard known as "King Priam's treasure," by adding items acquired elsewhere in Turkey.

With this year marking the centenary of Schliemann's death, his contribution to Aegean prehistory is being reappraised. At an international conference in Athens last month, the senior field experts came out in favour of rehabilitating him as the first true "spade archaeologist," for whom excavation was all-important.

However, realising the "Dream of Troy" was made much easier for Schliemann through his friendship with Frank Calvert, a British businessman who owned a large estate near the Dardanelles – including part of Hissarlik – and enjoyed excavating occasionally.

Calvert's dilettante approach to digging paled in comparison with the archaeological juggernaut launched by Schliemann in the early 1870s. He hired 150 workmen, calling in extra hands on Sundays, dosed them with quinine to prevent a malaria epidemic and made them excavate 13 hours a day.

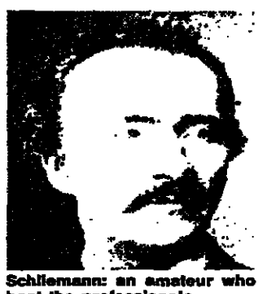
According to the dig diaries, each workman hauled away four cubic metres of earth a day. That is eight times as much as the current excavators at Troy can manage, says Prof Manfred Korfmann of Tübingen University, who directs excavations around Hissarlik. "Modern archaeologists are always amazed at how much Schliemann was able to observe, measure and publish. He took full responsibility for the speed and size of his excavations, rethinking his interpretations and criticising his techniques," he says.

In his eagerness to reach the lowest level, which he thought must contain the remains of Priam's palace, Schliemann cut straight through the layer that archaeologists now identify with Homer's Troy. In fact, King Priam's treasure belongs to a level one thousand years earlier than 1250 BC, the currently accepted date for the Greek siege of Troy.

Breaking his contract with the Ottoman government, which required the finds to be shared with the museum in Constantinople, Schliemann smuggled the treasure to Athens. His young Greek wife, Sophia, was photographed wearing an elaborate gold diadem from the hoard. The Turks were furious and sued Schliemann in Greece; after years of legal bickering he paid a fine and kept the loot. Eventually, he was even allowed to excavate again at Hissarlik.

To promote his discoveries, Schliemann rushed into print, sending long reports to German and Greek newspapers from the excavation site. But acceptance that Hissarlik might be Troy came only gradually. The British scholarly establishment was more easily persuaded than the German, and Schliemann was particularly grateful for support from Gladstone, then the Prime Minister.

Schliemann's critics say that he was dishonest, both scientifically and personally. His archaeological record-keeping was unreliable, they argue, and he embellished his reputation as an early jet-setter with unforgivable flights of fancy.



Schliemann: an amateur who beat the professionals

It is certainly true that Schliemann fabricated an account of a visit to Washington and a White House reception – although it has now been shown that he really did interrupt excavations at Mycenae in Greece to escort the Emperor of Brazil around the Troad.

As a disgraced clergyman's son who left school at 14, Schliemann was anxious to secure academic and social recognition. His American citizenship was obtained on the basis of two years' profitable activity during the Californian gold rush of the 1850s, but he felt qualified to lobby – unsuccessfully – to become US ambassador to Greece.

Although he often left Sophia with scarcely enough cash to pay their hotel bill, Schliemann spared no expense when it came to building the "Iliou Melathron," a baroque extravaganza which still stands in the centre of Athens. All its rooms are decorated with extracts from the works of ancient Greek authors. A series of whimsical frescoes in the ballroom shows the Schliemanns as cupids pulling out prized finds from their various excavations.

The building was used after Sophia's death to house the Greek supreme court, but now stands empty. It was partially refurbished a few years ago and the Culture Ministry is now planning to turn it into a numismatic museum.

However, Greece's leading Schliemann scholar, Prof George Korres, disagrees strongly. He has tracked down much of the original furniture, elaborate pieces modelled on ancient Greek designs, as well as family portraits and books from Schliemann's personal library. "The house should be restored as a museum in its own right, with a Schliemann archive where scholars can work," he says.

Schliemann's finds from Greek sites are on display in the National Archaeological Museum in Athens. After years of indecision, he presented the Trojan finds to Germany, on condition they would be shown in rooms bearing his name. "King Priam's treasure" disappeared from the Berlin Museum of Early History at the end of the Second World War and has not yet turned up.

NEW YORK IN MAY – A COLLECTOR'S GUIDE

Masters and mistress: a focus on the galleries

THIS MONTH, Old Master and 19th century drawings are featured at several New York galleries. At Colnaghi's, Luca Baroni has assembled his usual strong selection of Italian sheets, highlighted by a rare 15th century Venetian or North Italian study-sheet of drapery placed on a dummy model or lay-figure. While the drapery is realistically rendered and highly finished in pen and heightened with white, the figure and its features are summarily indicated with a few quick strokes of a nearly dry brush, its bald egg-shaped head recalling the works of Paul Klee.

Another example of a "working" drawing is a black-chalk *St Lucy* by Luca Signorelli, an Umbrian artist of the late 15th century whose virile style, emphasising heroic, muscular figures were much admired by Michelangelo. Fewer than 50 drawings by Signorelli survive; his recently discovered St. Lucy is an important addition to the catalogue and has been identified as being preparatory for a figure in an altarpiece – the subject transformed into a *St Catherine*.

Later 16th century Italian drawings include characteristic examples of the Sienese painters Francesco Vanni and Ventura Salimbeni, and the 18th century is represented by a watercolour by Pietro Antonio Novelli of *Count Gregoril Orlov Visiting Victims of the Plague in Moscow*. Northern drawings include a typically lavish pen and wash *Still-life With Hunter* by the Flemish master Frans Snyders and a superb finished oil sketch of the head of an amiable bearded man by an anonymous French artist very close to Claude Vignon. Of the 18th century French drawings, Boucher's *Cupids Crowning and Enlacing the Three Graces With Garlands* (could anyone *else* have devised such a subject?) is typical of his late work, drawn in brown chalk with a delicate touch that enlivens the smilingly wide-eyed and plump figures, making them appear to vibrate with pleasure.

Although Colnaghi's generally does not deal in 19th century art, there are exceptions. An artist much favoured by Baroni is the obscure Conrad Martin Metz, a follower of the engraver Francesco Bartolozzi who was active in Rome in the first two decades of the 19th century. This interesting artist has been included in several Colnaghi shows in the recent past, but none have been as spectacular as the *Death of the Children on Niobe*, a turbulent, multi-figured composition in pen and brown ink with white highlighting, depicting Apollo and Diana punishing the proud and fecund mother, who vainly tries to protect her youngest child from the arrows of the gods.

Although it is a highly finished work, it is as much a "working" drawing as Baroni's rapidly sketched Signorelli – Metz was apparently displeased with the centre of the drawing, and rather than start over, simply snipped out the offending part and replaced it with an added sheet. (May 9 to June 1, 1990 at Colnaghi, 21 East 67th Street, New York. Tel: 212-772-2266.)

The selection at W.M. Brady & Co. picks up much where Colnaghi's leaves off by featuring mainly French drawings from 1780 to 1880, though English and Italian artists are not neglected. The exhibition begins with Jean-Baptiste Greuze's red-chalk *Study for a Crucifixion*, one of the artist's relatively rare depictions of the male nude drawn from life. A moving and deeply felt image, this sheet should surprise those who consider the artist solely (and wrongly) as merely a purveyor of sentimental genre scenes and moist-lipped adolescent girls.

Perhaps the most extraordinary drawing on view is Giuseppe Cades' *Armida Abducting the Sleeping Rinaldo* by the Roman artist Giuseppe Cades. Today relatively unknown, Cades was something of a rebel in the Roman art world of the late 18th century. Expelled by his master Domenico Corvi for being too independent, Cades was instinctively drawn to the works of the foreign painters active in the city: Fuseli, Barry, Abildgaard and Sergel. The *Armida* is a heady mixture of these influences, executed in icy-grey and black pastel, enlivened by touches of lemon yellow, pale blue, lavender and orange. An unforgettable proto-romantic image, it is something of a shock to realise that this work dates from 1785, and not 20 years later.

Worthy follow-ups to this masterpiece include a delightful watercolour by Giuseppe Bernadino Bison of *An Elegant Couple Taking Afternoon Tea*, two brown pen and wash sheets by Delacroix, Charles Landelle's fetishistic *Hesione Chained to the Rocks*, and Gustave Boulanger's *Mother Embracing Her Son*. (May 2 to 22 at W.M. Brady & Co., 3 East 76th Street, New York. Tel: 212-249-7212.)

At the Jan Krugier Gallery, Romantic genius is celebrated in an exhibition of drawings by the 19th century French author Victor Hugo. In these drawings, originally done for his own amusement (or as a hopeful cure for writers' block), Hugo depicted dark "inner landscapes" of craggy mountains topped by forbidding, decaying gothic castles and fortresses, all executed in rich brown and black inks which, on moistened paper was left to run and blotch to add to the hallucinatory aura. Hugo's drawings form a core around which Krugier has assembled works by both earlier and later painters which illustrate the Romantic imagination, from Rembrandt, Fuseli, Gericault and Goya to Jackson Pollock and Wols. (May 4 to July 27 at Jan Krugier Gallery, 41 East 57th Street, New York. Tel: 212-755-7288.)

Whereas the mistresses of the great and powerful today rarely promote anything except their sinuous figures in tabloid newspapers, one very important mistress had a decisive and positive influence on the art of 18th century France. Jeanne-Antoinette Poisson d'Etiolles, better known as Madame de Pompadour, the mistress of King Louis XV, was responsible for commissioning masterpieces by Boucher, the cabinetmaker Bernard II van Risen Burgh, and creating the French Royal Porcelain factory at Sevres.

Her influence is being duly celebrated at Rosenberg and Stiebel Gallery in an exhibition that features paintings, drawings, furniture and works of art related to the influence of this remarkable patroness. The overwhelming majority of these works are not for sale, and have been lent by such private and public collections as the J. Paul Getty Museum, Baroness Elie de Rothschild and His Grace the Duke of Atholl.

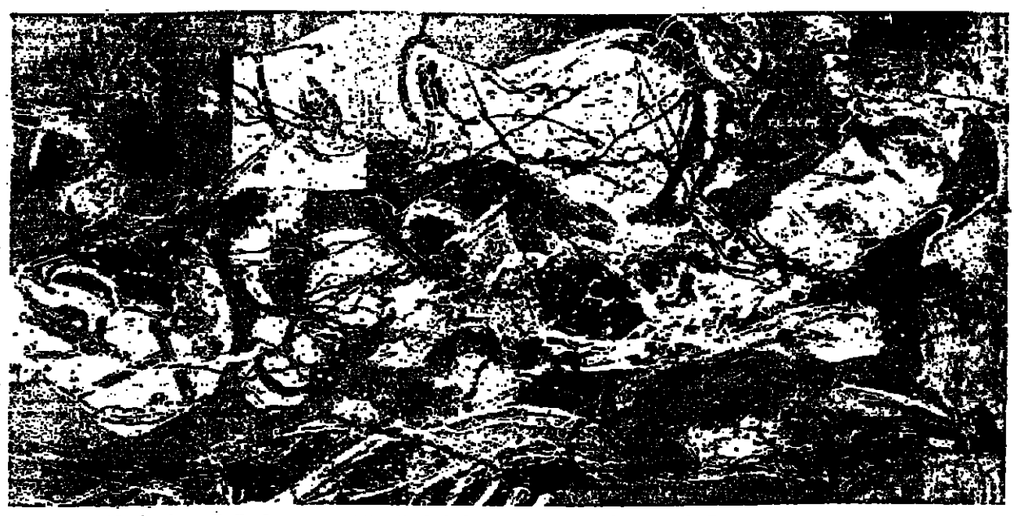
The exhibition includes such masterpieces as a remarkable microscope from the Cleveland Museum, its base a cunning Rococo wave of gilt-bronze; Jean-Baptiste Lemoyne's terra-cotta modello for a statue of Louis XV; a huge pair of Chinese celadon vases with gilt mounts (a particular collecting passion of Pompadour); several fine examples of Sevres porcelain with the deep pink background known to posterity as "Rose Pompadour"; and many works by Boucher, Madame's most favoured painter, notably a delectable oil sketch of *Vulcan Presenting Arms to Venus for Aeneas*, a portrait of Pompadour by her dressing table, brushing on powder blush and wearing a cameo of her royal lover on her wrist.

It also includes, most unexpectedly, a large altarpiece by Boucher of *St John the Baptist*, executed for Madames' tomb in her politically motivated "return to religion" after the Pope harangued the King to dismiss his mistress – while the Royal liaison was in progress the King refused communion and thus set a rather bad example for his subjects. Ironically, Boucher's St John seems less the martyred brother of Christ than a randy satyr, at rest before plotting his next conquest. (The show runs from May 3 to June 15 at Rosenberg and Stiebel, 32 East 57th Street, New York. Tel: 212-753-4368.)

Paul Jeromack

Portrait of a Young Man by Adelaide Labille-Guiard, on show at Colnaghi's

NEW YORK IN MAY – A COLLECTOR'S GUIDE



Moon Vessel by Jackson Pollock, to be sold by Sotheby's New York, est. $1.8m to $2.5m

Records may tumble in salerooms' spring season

THIS IS the month which will once again confirm the dominance of New York as the international centre for the buying and selling of high quality works of art. Indeed, if events go according to the plans of the two major auction houses, Sotheby's and Christie's, news will be created that will make television bulletins and newspapers worldwide.

On the evening of May 15 at Christie's elegant auction rooms in Park Avenue its president, Christopher Burge, will take the rostrum and offer for sale 81 Impressionist and modern paintings and sculpture which should bring in more than $250m (£153m) in little over an hour, setting a record for any Christie's sale anywhere.

With a fair wind behind him Burge could claim an even greater prize, a record for any work of art sold at auction. Van Gogh's portrait of his physician, Dr Gachet, who a few weeks after the picture was completed vainly tried to revive the artist after he had shot himself, carries a top estimate of $50m, close to the current auction record of $53.9m paid in 1987 by Alan Bond for Van Gogh's "Irises" which is now owned by the Getty Museum in Malibu, California.

Two nights later John Marion, president of Sotheby's, operating from a few blocks over on Second Avenue, will attempt to emulate his old rival by disposing of 69 modern masterpieces. He may not beat the $269.5m he gathered in at the last big sale in November but he will have his eyes on the individual lot record.

Sotheby's hopes are pinned on Renoir's "Au moulin de la Galette," a famous Impressionist painting full of colour and gaiety and depicting young Parisians having a ball. It, too, carries a $50m top estimate but top quality Renoirs have been scarce on the market in recent years and this is just the kind of familiar, immediately accessible painting that has an international appeal. Until the recent tremors in the global economy it was confidently tipped to get the record.

A night earlier Sotheby's will be offering the best collection of Futurist art to appear on the market. It was assembled by Winston Malbin and his wife, who acquired many of the works by Arp, Brancusi and Severini directly from the artists who became their friends. The auction should total more than $60m.

These three black tie occasions are not only vital affairs for the commercial well-being of the auction houses, contributing, in a matter of minutes, over 15 per cent of their annual sales, and profits. They are also long-anticipated social occasions in New York. The beau monde will be out in force, and competition for a seat close to the podium will be as keen as for a Broadway first night. Money, art, glamour and social pretension will be out on the town together.

However, some New Yorkers might grimace slightly when they consider why their city has become the setting for such dramatic displays of conspicuous art consumption. New York has taken over from London as the key centre because it is now the Americans, rather than the British, that are the principal sellers of important works of art. Some of the pictures on offer will have come from Europe and elsewhere but the majority went into American collections in the first half of the 20th century, and now the widows and the heirs of the connoisseur businessmen who bought them are being forced to cash in their treasures.

There will be very few American buyers at the auctions, except perhaps at the very highest level. At the last important sales in November the two top prices were paid by Walter Anneberg ($40.7m for a Picasso) and the Getty Museum ($26.4m for a Manet). They could be active again. But the keenest new buyers are the Japanese, who now regularly walk away with around a third or more of the lots, by value, when the best Impressionists come to market.

Now the fall in the Tokyo Stock Exchange, and in the value of the yen, casts a doubt over the presence of the Japanese. If the two big buyers, the dealers Mountain Tortoise and Aska International, stay away the auctions could be nervous affairs, although the greatest masterpieces, like the Van Gogh and the Renoir, have an enduring appeal and investment potential, which should ensure a sale whatever the financial climate.

New York's dominance in the art market is shown in the statistics. Last year Christie's doubled its sales in New York in 12 months to £700m, which is more than half its annual turnover. In comparison London handled just £480m worth of business. Yet Christie's did not start operating in New York until 1977.

Sotheby's is more coy about its figures but being American owned, and increasingly American slanted, the majority of its almost $3bn sales in 1989 were definitely generated in New York.

The two auction houses, including Christie's successful satellite "collectables" rooms on East 67th Street, dominates the auction life of the city, although Doyles still trades actively for those patriots that want a cosier, long-established local firm.

Both Sotheby's and Christie's try to market a global service: they will sell your antiques, within reason, at whatever auction house – be it in London, Hong Kong or New York – that will achieve the highest price.

Obviously, certain traditions hold. London is still regarded as the leader in musical instruments and medieval works of art, for example, and Hong Kong for Chinese ceramics. But increasingly New York is taking over in areas such as furniture, silver, and Old Master paintings where London long reigned supreme. For example, Christie's in New York is offering the best Rembrandt to appear on the market in years on May 31.

In fields such as photographs and tribal art New York has long established an edge, and in contemporary art the auction rooms have achieved a dominance which is quite staggering. Last autumn pictures by living artists like de Kooning (one of his canvases exceeded $20m) and Jasper Johns (who now regularly tops $10m) began to overtake the Old Masters and rival the Impressionists in value.

In New York the auction houses have successfully challenged the dominance of the dealers. They have encouraged the new generation of collectors to bid in person, or with the advice of a dealer, in the saleroom, and to acquire art as an investment. Visiting the auction rooms has become a popular and profitable diversion for New Yorkers.

Some of the facilities the salerooms have offered new bidders are questionable – generous credit terms under which the collateral is the work of art being bid for was a dangerous practice – and in their keenness to acquire collections from potential vendors the auction houses have come up with practices, such as guaranteed returns, which belie their image as refined academics manqués. However, the results could be seen to justify the means. And the sharp practices have produced one international gain: the strong consumer protection legislation in New York has forced the salerooms into more openness about unsold lots than was traditional.

The news that Sotheby's has joined with the dealer William Acquavella to acquire the estate of the late Pierre Matisse, the distinguished New York dealer, which includes hundreds of works by Miro, Chagall, Tanguy, Giacometti and others confirms that the saleroom sees its future in art trading generally rather than acting as a passive auctioneer. The price paid was $142.8m.

But while their big publicity machines give the auction houses a propaganda advantage, they know that the dealers are their main customers. New York in May will be exhilarating as much for the shows in the galleries as for the sales. The two worlds are learning – profitably – to co-exist.

Antony Thorncroft

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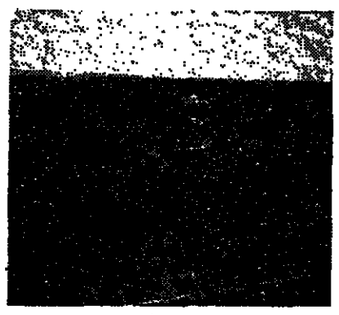

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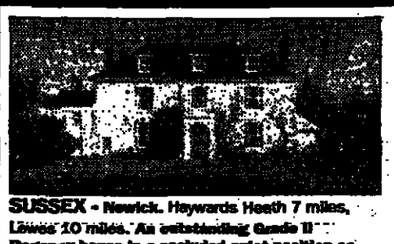

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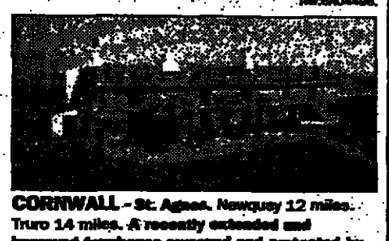

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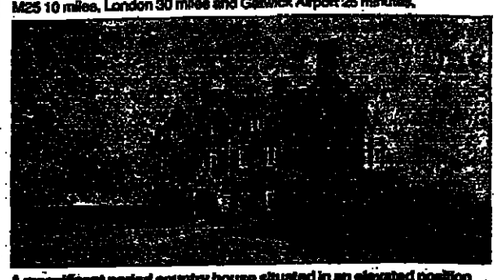

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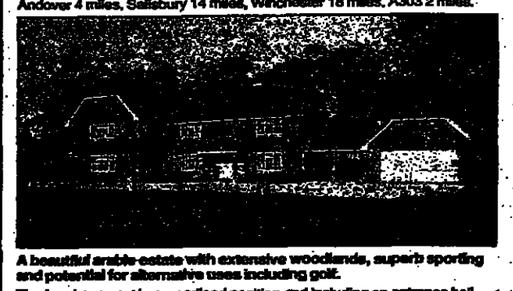

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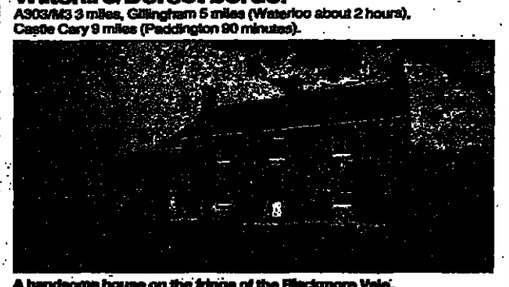
A303/M3 3 miles, Gillingham 5 miles (Waterloo about 2 hours), Castle Cary 9 miles (Paddington 90 minutes).



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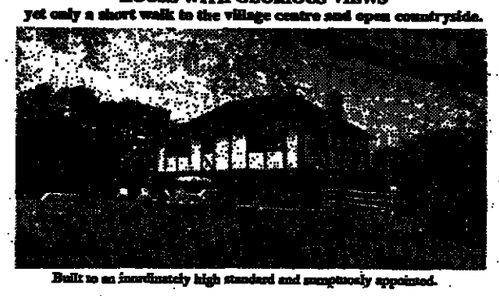

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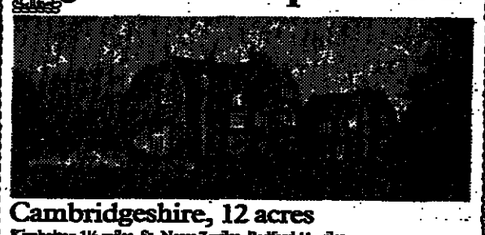

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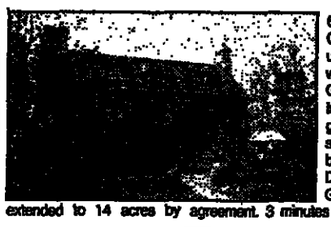

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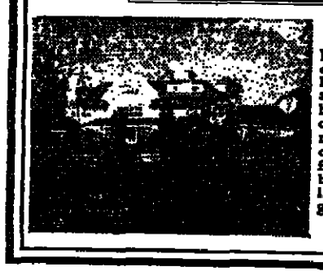

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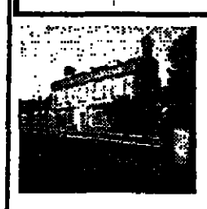

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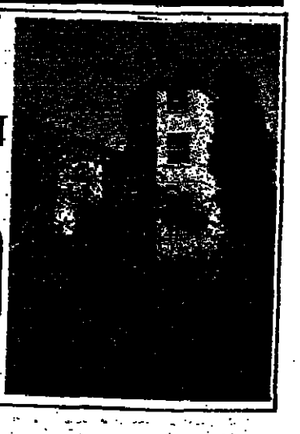

Property Plus

A rogue estate agent's guide to the galaxy

***John Brennan** delivers his verdict on plans to curb crooked agencies*

THE GOVERNMENT hopes to deter rogue estate agents by adopting the recommendations from the report on agency practice published in March by Sir Gordon Borrie, director-general of the Office of Fair Trading. Most of the main recommendations will become law this year as amendments to the 1979 Estate Agents Act, and by early 1991 through additions to the Trades Descriptions Act.

There are, however, enough gaps in the new rules to justify a fresh edition of the *Weekend FT's* best-selling career guide for residential incompetents: the 658-page leather-bound Gazumpex edition of the *Rogue Agent's Handbook*. We can provide an exclusive preview of this fully-revised guide to profitably corrupt practice:

■ *Entry qualifications*

All appeals for controls by the residential agencies have failed to counter the Government's dedication to entrepreneurial freedom in an open – that is to say, barely-regulated – market. Although Section 22 of the existing Estate Agents Act could be enacted without primary legislation, and would require all agents to satisfy standards of basic competence, that section remains dormant.

With a comment that ensures profound future embarrassment if he should ever acquire ministerial responsibility for doctors, dentists or vets, Consumer Minister Eric Forth has explained there will be no requirement for qualifications, or even a check on competence, because that would represent "a barrier against entry into the industry." Thus, you can still set up as an estate agent by the simple process of waking up one morning and deciding to become one. The main qualification remains a suitable alarm clock.

Agency Equipment. Any car with "GTI" on its boot lid is suitable, although agents considering setting up in London are advised to select a model with a glove compartment large enough to accommodate parking tickets.

Communications. A car telephone is essential. Otherwise, a number of successful residential traders manage to contain overheads by relying upon a British Telecom 'phone card, call boxes, and a swift line in sales talk during which they stress that they are anxious to reduce clients' telephone bills by always calling them.

Office premises. An impressive address is more critical than a good building. Fortunately, self-contained offices with imposing lobby and meeting rooms may be rented by the hour in most business centres. For the more ambitious, a short-lease showroom will suffice. Many of the rogue agents find that the the car telephone and a tobacconist's shop mail collection service provide an adequate base.

Stationery. Apply the basic rule of image: the less prepossessing the premises, the more expensive the letter-head. Business cards should be as large and visually loud as possible. Most successful rogue agents will have a selection of cards made out in a range of different shelf-company names.

Clothing. Marks & Spencer provides sufficiently ambiguous suiting for most purposes, but the purchase and sewing-on of a Georgio Armani label is essential for rogue agents offering higher cost "personal service." All would-be town agents and sales negotiators are expected to wear double-breasted suits one size too small. There is no rational reason for this, but the universal spread of this style in recent years reassures clients that you are indeed a bona fide agent.

To pass as a country agent, new entrants are required to purchase a suitable distressed Barbour, invest in a pair of Churches brown brogue shoes with black laces, and acquire a short service commission-style haircut. A dog is an optional extra.

■ **Sales practice.**

Property listings is a critical area for a rogue agent, and few of the opportunities to acquire a broad range of properties for sale have been excluded from the new regulations.

Knocking for Trade. The classic route is to tour an area and knock on the door of any house where a "For Sale" board has been in place for more than four weeks. "Does your existing agent understand you?" is the usual opening approach to the home-owner. The promise of a queue of would-be buyers keen to acquire such a property can be reinforced by having several friends primed and available to view on the same day.

Once accepted as a co-agent, two useful options are to approach the existing agent and negotiate a fee to go away; or have a colleague make an offer at the asking price which runs into so many delays that the owner will accept any price just to get the house sold. At that point, return to a real sales agent and instruct him as co-agent on the now under-valued property. Collect from him your "instruction fee" or share of the sale commission.

"Free" agency fees. Another effective listing opportunity that isn't outlawed under the new rules. Once vendors have been added to a free commission list, it is no longer as easy as it was to include a series of official-looking invoices for "necessary" expenses. The new rules require agents to define what services they are offering, along with their costs. But there is considerable scope for more imaginative practitioners to conclude supplementary agreements with vendors that appear to offer them a chance to get a cheap deal.

Remember the first law of rogue salesmanship: all clients who are persuaded to let greed overcome common caution move beyond hope of later complaint (see the chapters on Time-share Sales and Tax-free Overseas Property Deals). One example of this for UK residential agents is agreeing informal personal commissions that appear to be lower than your firm's "official" list of charges.

■ **Pricing**

This is the most fertile area for a rogue agent. The iron rule – to encourage both the vendor's over-estimate of price, and the would-be buyer's bargain instincts – is to under-estimate the value. Once an actual negotiation starts, it is wise to stand back and let the frustrated vendor and irritated buyer battle it out. The art is appearing to be professionally neutral while encouraging the individuals privately to keep pressing their cases until both are worn down.

The ideal outcome is a demoralised vendor willing to accept a subsequent lower offer, and a would-be buyer who will listen when you come back with a property you describe as a "real bargain."

Spurious bids. The new rules outlaw bidding-up prices by claiming – wrongly – that there are higher offers. But since there is no way in which such higher offers can be enforced, this is a classic loophole.

Those selling rural properties may rest assured that no element of the new rules makes any serious inroads into the traditional practice of putting indicrously low guide prices on properties to draw out lists of people interested in "a place in the country." This practice is by no means restricted to rogue agents. Being able to introduce potential buyers to a brother-in-law builder adept at stretching a cash-only refurbishment job over several years remains a key source of supplementary revenue in this market.

■ **Property descriptions.**

Property details are finally to be drawn within the controls of the Trade Descriptions Act but this presents few real problems for rogue agents keen to see their fictional output in print, even though descriptions that mislead seriously will eventually carry fines and up to two years in prison.

The most effective way around the new regulations is to selectively edit the truth. This is seen in its most effective form in photographs of properties taken from angles that exclude sight of the overhead electricity pylons, the neighbouring gas works, the motorway extension at the bottom of the garden, or the entrance to the on-street car maintenance business across the road.

Careful photo selection and quiet Sunday morning viewing suffice normally to supplement suitably idyllic, but still legally accurate, descriptions. Only in the most extreme cases need rogue agents keep viewing to days when there is sufficient rain to limit inspection of the immediate area or the outside of the property. In some such cases, thick fog can help, too.

■ **Sales of other services**

The new law frowns specifically upon the practice of pressuring would-be purchasers into financial service agreements, or selling only to clients who have committed themselves to take out home loans or insurance through an associate.

Fortunately for all rogue agents, neither Sir Gordon Borrie nor the freedom-loving Eric Forth have the time to check whether every "best offer" does or does not come from someone who happens to have entered into a financial deal with a friendly (that is to say, commission-paying) lender.

A vendor might well complain if the only people selected to view his property turn out to be those with home loan or insurance deals that you have set up. But few home-owners think it polite to ask if a viewer has arranged the finance to afford their home and, if so, through what organisation.

In any event, if any bidders with independent finance do want to see the property, arranging with the owner to look after viewing in his absence leaves ample scope to deter them. Deterrence can start by planning the least scenic route to the property, pointing out problems of access, and letting slip speculation about plans for a lorry park or atomic waste disposal complex atop the local park. Such viewing should be timed to coincide with peak rush-hour traffic.

In cases where such tactics prove insufficient, rogue agents may need to adopt terror tactics. One involves walking gingerly on the inside edge of all stairs, thus indicating – without saying a word – extreme nervousness about the structure.

■ **It's a fair cop!**

The new rules do increase the chance of clients reporting doubtful sales methods to their local Consumer Advice Centre or Trading Standards Officer. Obviously, though, working rogues need not concern themselves with the consequent risks of being expelled by any professional association.

Breaches of the Trades Descriptions Act will be tough to substantiate as long as they involve selective truths rather than overt lies. That leaves the Estate Agents Act, which will now include far more instances which can lead to an agent being banned.

The seeming finality of this penalty is mitigated by the shelves full of paper companies available from any accountant. If a change of business name is insufficient, there are always other locations and other vendors and prospective buyers who need help to spend their money.

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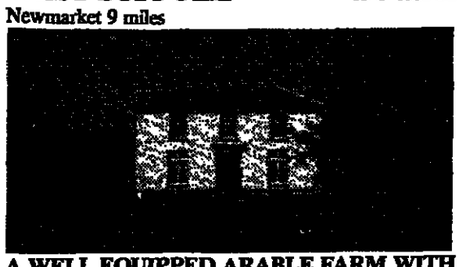

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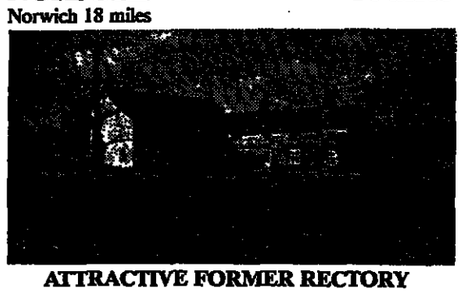

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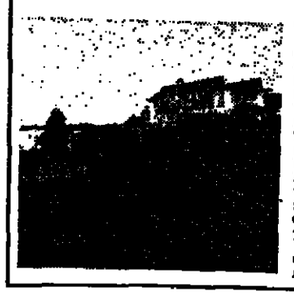

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DESPATCHES

Soviet kilometres are the longest of all

***Jack Chisholm** takes the rough road to Murmansk*

IT TAKES three days to drive from Leningrad to the Soviet Arctic port of Murmansk, but it took nearly two years to get permission. There were three of us: me, my German girlfriend Barbara, and Volodia a Soviet colleague and friend. As far as we knew, no westerner had made the journey along 1500 km of "closed" roads. With this in mind, Volodia had checked we were carrying tools, spare parts and extra petrol for our Land Rover, plus iron rations.

Day One. We were silent as we drove through the August drizzle. We were making for Petrozavodsk, 400 km east of Leningrad, and after an hour we turned off at Kirovsk, joining a brief queue to buy petrol. Already, the Intourist writ had ceased to run: the attendant was unfamiliar with the coupons that are "compulsory" for foreigners buying petrol. And so we paid cash: 26 roubles.

The road soon deteriorated. There were places where you could drive easily at the permitted 90 kph maximum; in others, 40 felt too fast. Both width and surface were variable. Four lanes became three or two; road works or minor flooding reduced traffic to a single line.

We passed fields of hay or sunflowers and endless tracts of pine and birch, with small towns or villages breaking the monotonous greens, browns and greys. The houses in the smaller settlements were wooden, often unpainted and with immense stacks of logs outside.

We crossed into the Soviet Autonomous Republic of Karelia and looked for a crossed knife and fork sign denoting somewhere to eat – a "snake bar," in Volodia's otherwise excellent English. There were none, so we pulled off into the woods where he produced cold meat, tomatoes, cucumbers and vodka – forbidden to drivers in a country where the permitted blood alcohol level is zero.

Approaching Petrozavodsk, the flashing lights of oncoming vehicles warned of a radar trap ahead. We kept to the limit but were flagged down, anyway, mainly to satisfy GAI (traffic police) curiosity about the name and origin of our vehicle. This was one of only two police checks we encountered.

The city is the capital of the Karelian republic and we stayed in the Northern Hotel which, like so many other Russian buildings, was in the process of restoration. The room was clean and had a lavatory with a seat, not something to be taken for granted. It even had hot water, our last for many days.

A dead wolf on the road near the White Sea town of Kem . . . a rarity, according to locals

Dinner was eaten without conversation. In any case, speech was impossible because of the mega-blasts of Russian and western pop. The restaurant refused us breakfast because we were not on their list, so we found a bar selling sausage, cucumbers and curd cheese.

Day Two. We bought petrol on the outskirts of the city (in the Soviet Union, you buy things when they are available, not when you need them) and turned north through an area of marshy forest still smouldering after a fire. Smoke billowed across the road while fire-fighters leaned, exhausted, on their equipment.

To Medvedegorsk for a lunch enlivened by three Russians demanding alcohol and being told they would have to wait until four o'clock. A "frank and informative" discussion ensued, during which the would-be drinkers discovered they could order coffee with a shot of cognac and promptly ordered 20 coffees. The waitress shrugged in resignation and fetched half a litre of Armenian cognac – without the coffee.

Now hundreds of kilometres off the tourist route, we turned east to Kem, on the White Sea, and were startled by the roar of jets. Sukhoi fighter-bombers were taking off, flashing past only metres from the ground, silver streaks with red stars on their tailplanes, disappearing into the evening sunlight. A single strand of barbed wire separated the road from the Soviet air force. We did not linger.

A dead wolf lay in the road, a rarity according to the locals who said there were plenty of bears . . .

The guesthouse in Kem had only cold water, but the room was clean and the staff – like so many Russians – effusively friendly. They thought the last foreigners in Kem had been "interventionist forces" during the Civil War.

We walked down to the shore, close to the Solovetski Islands – originally a famous monastery, then an infamous *gulag*, now a place of pilgrimage for Russian visitors who are warned that digging is prohibited. The ghosts of Solzhenitsyn's *zeks* were all around us but Kem was just a sleepy provincial town with fading wooden houses, drab concrete apartment blocks and children playing in the streets.

Day Three. The petrol station opened only twice a week but we could not wait. As usual in the Soviet Union, if you are persistent and friendly a solution can be found. Someone fetched a key and we filled the Land Rover directly from a parked tanker before heading back into the desert. Desert? Yes, but a desert of marsh and forest, lake and scrub, river and bog, a land where you can drive for hours, or probably walk for ever, without meeting another human.

There is a low range of mountains to the south of Murmansk and, as we made the final descent, we entered a lunar landscape around the Monchegorsk metal works, built originally by labour camp inmates. Its massive chimneys spewed white, grey and yellow smoke. The poisoned hills were bare rock and scree, dotted with the stumps of lifeless trees and dying bushes, the lakes black and dead, the water glistening like oil. Among this wilderness stood posts with printed warnings not to eat berries or mushrooms. But we could not avoid the air.

Murmansk is young. It was founded in 1916 and became a hero city of the Soviet Union for its performance during the Great Patriotic War. Seventy per cent of the 500,000 people are Russians and most work in the fishing industry. The city itself is a patchwork of shiny new apartment blocks and older buildings, with dozens of cranes working on construction sites, at the rail-head, and in the docks.

The Arctic Hotel "welcomed" us with truly Brezhnevian arrogance. The rooms were standard Intourist with bath and shower, but the hot water had broken down and the restaurant staff were too busy drinking to serve new arrivals. "Come back at 11," they said. "You can eat then." "That is when you close," replied Volodia, who had noticed the opening hours. They laughed guiltily, like school-children caught out in a silly joke, and turned their backs on us. Eventually, we found a bar and dined on cold fish, sour cream, tea and slices of dried reindeer.

Day Four. Like other Soviet cities, Murmansk suffers from shortages of food and consumer goods, the more so because it is at the end of the distribution chain. Sugar, sausage, tea, soap and washing powder are rationed but most workers receive 1.4 times the "normal" salary because of the difficult conditions, especially in winter. It often drops to −20 °C but the humidity makes it feel colder.

While I went off to talk to local officials, Barbara defended our room against all-comers, declining requests from female "visitors" to "look at your things." One tightly-waisted woman said she was pregnant, feeling weak and needed to lie down. When Barbara suggested calling a doctor, the woman and her companions tried to push their way in. Barbara pushed back and won.

The cleaning lady arrived, not to clean but to ask if she could have Barbara's shopping bag, bought that morning for 15 roubles. No, she could not. And way past midnight, there was a knock on our door. Two men stood outside. They were Poles, they said. Could they come in? No, they could not.

Day Five. We left Murmansk late because neither the lifts nor the accounts department were working. We carried our bags down four floors while Volodia queued to pay, then queued again for fuel.

We liked Murmansk, especially the brilliant light of the long Arctic nights, but no one could love that hotel – a real nest of vipers in serious need of a stiff dose of perestroika. We headed south to the Arctic Circle with the same 1,500 kilometres ahead of us. It sounds like one of those jokes from Radio Yerevan: "Soviet kilometres are longer than American kilometres." Actually, they are. A great deal longer . . .

Queen's House put to good use

AFTER A restoration project lasting six years, the Queen's House at Greenwich was reopened on Tuesday by the Queen. Attention has focused mainly on the reconstruction, using reproductions, of a suite of royal apartments on the first floor – an ambitious scheme initiated and directed by the Maritime Museum, to whom the house belongs.

The historical legitimacy of this reconstruction is based, rather tenuously, on the occasional sojourns of Henrietta Maria in the 1660s, then widow of Charles I; the practical logic behind the reconstruction is the furnishing of a suite of hitherto empty rooms. To these should be added the commercial logic of furnishing a house which will be profitably let during the low season to corporate customers.

Any reconstruction, especially one involving reproductions, is bound to arouse academic fastidiousness. However, it is hard to avoid Colin Amery's conclusions on this page last Monday that the standard of the work is inexcusably low, with the exception, I believe, of the damask hangings. Vulnerable on historical grounds as a speculative exercise in heritage manipulation, the workmanship needed to be unexceptionable.

It would be a pity however if criticism of these apartments were to eclipse the excellent work done to restore the house and to re-organise the lower floors. Of the £5m spent over the last six years, £4m was spent on Inigo Jones' beautiful building.

Director Richard Ormond on the Tulip Staircase

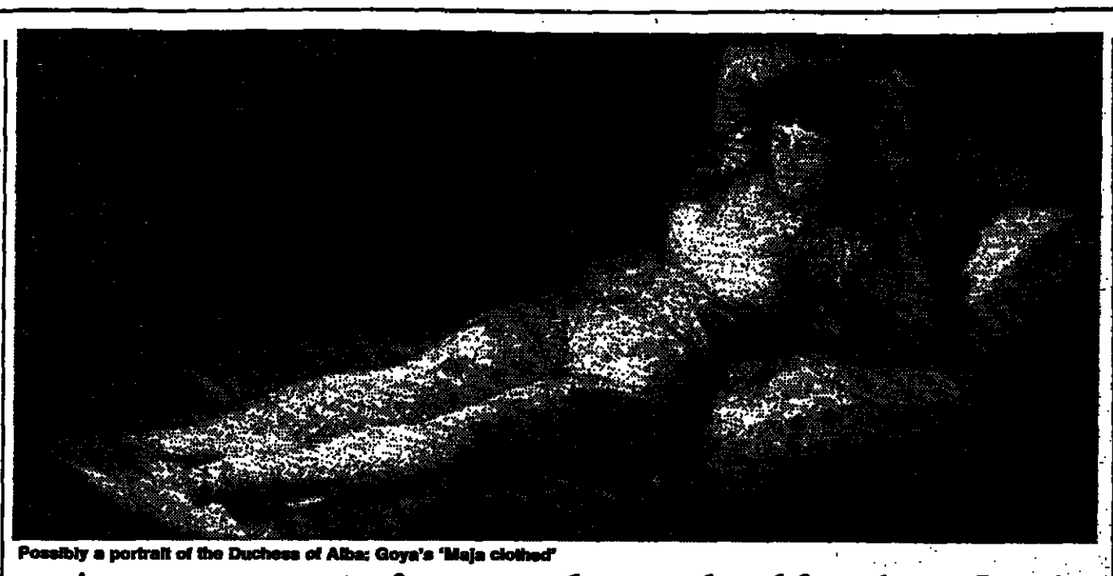
Beneath the ground floor the brick-lined vaults have been restored, and now contain a Treasury for precious objects from the Maritime Museum, as well as a display illustrating the history of the house. The curves of the vaulting and the beauty of the brickwork are superbly enhanced by lighting concealed beneath the floors.

On the ground floor the collections of Dutch marine paintings have been imaginatively re-hung: instead of the "eye-level" imperative of a formal exhibition, some of the paintings have been grouped in clusters and placed over doors, creating an intimate, domestic feel.

An important new acquisition is the portrait of Princess Elizabeth, later the "Winter Queen," by Robert Peake. This painting links several aspects of the house. Precisely which aspects is not made clear by its location in the mock-up of Henrietta Maria's bedchamber. Princess Elizabeth was the daughter of Anne of Denmark, for whom the house was originally designed before the tenancy of Henrietta Maria. The sister of Charles I, she was to link the Stuart dynasty to the Hanoverian succession. In a public gesture of his devotion to Protestantism, her father, James I, married her to the Elector Palatine: a gesture that was to come home to roost in the form of George I, her grandson. The portrait is dated 1603, the year of James' accession, when the princess was aged seven. She was to take part in some of the court masques organised by Inigo Jones, whom her mother supported.

There is no doubt that the restoration and reconstruction work at the Queen's House has vastly improved a previously empty and underused monument. It is also now ready to play a role in generating revenue for the Maritime Museum through corporate use. The various attractions at Greenwich, already mostly in the care of the museum, have been integrated into one admission system. A £6 "passport" for adults (£3 children), valid for one year, allows admission to the Maritime Museum, the Old Royal Observatory, the Cutty Sark and the Queen's House.

Richard Newbury



Possibly a portrait of the Duchess of Alba: Goya's 'Maja clothed'

A notoriously delightful pair of beauties

William Packer visits Goya's 'Majas' at the National Gallery

RECIPROCITY, backhander, call it what you will, but it can be a fine thing. "The Toilet of Venus," commonly called the "Rokeby Venus," is back in the National Gallery from its stint away on loan for the Velasquez exhibition in Madrid, and with it from the Prado comes one of the most notoriously delightful pairs of paintings in the whole canon of art. Until July 1 the "Maja naked" and the "Maja clothed" by Goya hang either side of the great Velasquez in Gallery 30 (sponsored by Petromed and BP), three reclining beauties together that need little further critical exposition or excuse to justify a visit.

But their story is intriguing. The Velasquez, dating from about 1651, had long been associated with, was perhaps even inspired by, another reclining nude, a "Venus in a landscape" of the Venetian school, now lost. By the late 1790s, both these works were in the collection of the Duchess of Alba, who, for whatever reason, then gave them to Don Manuel Godoy, the unscrupulous arriviste first minister of Charles IV. In Spain such pictures were not then held fit for general public display, and this particular pair was to figure prominently in the private gallery Godoy devoted to his collection of images of the nude.

The "Maja naked" is known to have been in that collection by November 1800, perhaps by direct commission but quite as likely by that same unexplained gift. Goya would have known the Duchess's collection well, for he had painted several portraits of her and they had clearly become close friends. Art historians insist upon the similarities between the "Maja's" pose, languid, open, arms raised, and the high renaissance ideal. The rumour persists of course that Goya was the Duchess's lover, the "Maja naked" itself commonly supposed to be her intimate portrait.

Whatever the truth of it, Godoy seems to have been just the sort of man to savour the connection. By 1808 the "Maja clothed" too was in his collection. Quite when he acquired it is unclear. Stylistically the probability is it was painted after the nude version, the possibility, if it is a portrait, that it was completed posthumously, for the Duchess died suddenly in 1802.

Certainly the clothed version is more freely and quickly painted, the head especially fresh and lively, which bespeaks the established formal ease and familiarity with a subject and composition that is so often the quality of a second essay. It is a very sexy painting, with its warmer, richer colour, its clinging dress and hint of transparency and pubic shadow. Perhaps some finishing touches were added retrospectively, but it can only have been worked substantially from the model. It is one of the very first great works of a recognisably modern sensibility, looking forward in the most remarkable way to Manet and on to Picasso and Matisse.

But the "Maja naked" is perhaps the greater work, quite as sexy and no less modern, but in the subtler sense of the objective and humane psychological scrutiny we know from the portraits. Colour, light and tone are cool and reflective, the flesh coolly opalescent, pinks and greys. And the head is more closely worked, the expression more quizzical and challenging than openly inviting. There is, it is true, the famous awkwardness of the set of head and shoulders upon the figure as a whole, hence the suggestion a portrait superimposed upon the body of an anonymous model. Perhaps: but that body is as superb a piece of life painting as one could wish to see, so beautifully and tenderly is it observed, drawn and modelled. It is in that realism that it is so modern, a frank celebration of the physical presence and sexuality of a beautiful woman.

For the "Majas" to be reunited with the Velasquez for the first time since Godoy's collection was broken up after his disgrace in 1813 is a splendid curatorial coup. "The Rokeby Venus" is a wonderful thing (I even heard it muttered that it overshadowed the Goyas.) It does no such thing, for it too has its awkwardnesses, an image of a real and physical woman yet, for Velasquez, oddly remote, idealised and unphysical, awkward and ambiguous in the drawing and modelling for all the actual beauty of the paint. Venus' exquisite, shadowy reflection in the mirror is the closest we can get to her, which was ever the way with the gods. Goya's gypsy Duchess lies unequivocally before us, a creature very much of flesh and, by the heightening colour of her cheeks, of blood too.

Saleroom

From the Manor borne

IF YOU are in the market for a shepherd's crook; a cast iron fastening post in the shape of a negro jockey; a pile of stones decoratively assembled; or a collection of minerals, join the world's interior decorators, and their friends, at West Green House in Hampshire on May 16 and 17. Sotheby's is having a clear out for "magpie" McAlpine, the former Treasurer of the Conservative Party, who has spent a lifetime picking up unconsidered trifles.

For the past decade he has rented West Green, a pretty box-shaped Georgian house, from the National Trust, but the call of homes in Venice and Australia has persuaded him to move out and he is disposing of the biggest collection of high- class jumble to hit the market in years. Some of the items have dubious artistic pretensions – there are the stuffed birds; decoy ducks (big in America); lots of 19th century earthenware pots; rows of English glasses: plus the rare genuine antique – a pair of George II yellow painted settees, estimated at up to £25,000 (and unpainted when Lord McAlpine paid £7,700 for them at Sotheby's eight years ago), and a George III chandelier, probably Irish, which might sell for £35,000 so rare have good old chandeliers become.

But Sotheby's will raise over £1m from hundreds of bidders each paying well under £1,000 for such curiosities as a collection of Victorian "witches balls," the tusk of a Siberian mammoth, or some really dreadful examples of African art. The best summary of the disposal is that it includes the finest collection of early gardening and agricultural implements, down to a 17th century watering pot, to hit the market in decades.

West Green signifies that the house sale season is now in full swing. House sales are not what they were. In the 19th century when an aristocrat came financially unstuck he did so spectacularly and the sales of the contents at Hamilton Palace and Stow lasted weeks and are the stuff of legend. In 1977 Lord Rosebery caused a stir when he sold off the contents of Mentmore but since then the tax burden has been eased on old wealth, the lawyers and accountants have been even more clever in devising family trusts, and safety nets like the National Heritage Fund, English Heritage and the National Trust have emerged so that houses are better able to pass through the generations intact.

Salerooms still hold house sales but they tend to be minor affairs, prompted by special circumstances. They are invariably tremendous successes, as was proved yet again this week when Christie's South Kensington got rid of the surplus stock at Nostell Priory in Yorkshire, and Sotheby's weighed in with Wherwell Priory near Andover.

All the omens were right for Nostell – the house is one of the best known in the country, being furnished in part by Chippendale in the late 18th century. This ensured that most of the main dealers would make the trek north, tempted by the illusion of spotting a Chippendale piece missed by the Christie's experts (and the National Trust when it acquired the main Chippendale furniture in 1986). The saleroom played along by offering some totally unremarkable items that were probably supplied by Chippendale for the back stairs. As well as the good provenance dealers would be well aware that the furniture had not been hawked around the trade: it was "fresh."

In perfect weather the usual rushes of blood to the head took place and the auction almost doubled forecast at £960,000. Two Regency cabinets estimated at £20,000 sold for £71,500, but then Regency furniture is all the rage at the moment. More typical of a country house sale was the £50 paid for a plywood cupboard, circa 1950, which was estimated at £15.

At least this was a considered cull of mainly decent items rather than an "everything must go" act of desperation. Hugh Edmeades, who organised the auction, recalls house sales at which extinct fridges, well beyond active service, went for £80 – so keen are purchasers to secure something from the big house. Garden furniture and bed linen, however dilapidated, invariably carry a premium, with locals competing furiously for the privilege of saying "that came from the Manor." Nostell was also typical in having its panic: when arriving at the house for the second day Christie's discovered a (temporary) power failure, a serious business when many of the bids came through ten telephone lines.

Wherwell, too, far exceeded target, making almost £600,000. The strength of private buying, as against the usual clean up by the dealers, was shown in the fact that there were almost three hundred successful buyers for less than 700 lots. There are dangers for the public in house sales. The salerooms tend to under-estimate the price of many of the lots and since bidders are competing for emotional reasons they can chase each other up far beyond any re-sale value. On the other hand a certain lethargy sometimes enters into the cataloguing of house sales: the experts get bored. There is also often the need to identify objects outside their experience. Who can really know the worth of two wire work baskets filled with 19th century American felt pin cushions, or a 17th century papier-mâché articulated puppet, both among the West Green paraphernalia?

Best to approach a house sale as a day out, a chance to nose around the Big House, and perhaps to buy the off-beat present. Certainly the auction houses will not want to be left with Lot 486 at West Green – a Durnbury Industrial Vacuum Cleaner; or even 541, a multi pointed dibber, with riveter, scraper and beet fork.

Antony Thorncroft

Video

Mozart from La Scala

ALMOST ALL of the world's leading opera houses have joined the stampede to publish videos of their own opera performances. La Scala is no exception. The latest batch from Milan, from RAI via the Castle Vision label, contains some surprises, some attractive (Mozart), some less so (Verdi and Puccini). Italy, not so very long ago, was thought to be a land where Mozart was unpopular, if not actually unknown. That has changed, as the arrival of two Mozart performances, *Don Giovanni* (CVI 2061) and *Cosi fan tutte* (CVI 2062), bearing the Scala insignia makes plain.

Both of these are conducted by Riccardo Muti, whose appointment as chief conductor has resulted in a strong concentration on Mozart productions in every Scala season. Muti has matured into a Mozartian of individual stamp and incisive dramatic profile; these two operas are not lacking in rhythmic clarity and forward momentum (no Muti performance ever is), but the conductor no longer hustles or straitjackets them unstylishly, as he tended to in years past.

In both there is a feeling of nervous energy translated into theatrical vitality: the buoyant, singing qualities of the Scala orchestral playing are disciplined without being diminished, with a peculiar vivacity in the string and wind attack that lends this "Italian Mozart" its own highly distinctive character. This is particularly well demonstrated in the *Cosi*, a performance of subtlety, charm, and lightness rarely so well blended.

The production, by Michael Hampe, came to La Scala from Salzburg (first shown there in 1982). It sticks to the text and the period – and is, therefore, worlds away from those picnic-on-the-beach comic revelations and piercing insights that Channel 4 audiences will recall from the Opera Factory *Cosi*. But whereas in the theatre I found the Salzburg *Cosi* visually ravishing and deadly dull, the film version from La Scala promotes a delightfully deft and quick-spirited patterning of character-strands.

The opera is again, as it always should be, a portrait of six distinct people characters weaving together an iridescent comic web: the pretty-prettiness of the Mauro Pagano designs remains, in the best sense, a backdrop. It helps immensely that four of the *Cosi* sextet are Italians, and that the American Dorabella (Delores Ziegler) and Polish Ferrando (Jozef Kundlak) have been schooled to achieve near-Italianate ease of delivery. What a joy to hear and watch an Italian Alfonso (Claudio Desderi, less fiercely misogynist than at Covent Garden) and Despina (Adelina Scarabelli, at once tough and sparkling) as they make the words resonate with shades and nuances simply unavailable to most Mozartians. The Fiordiligi, Daniela Dessì, combines Latin exuberance and melancholy and excellent technical command besides. Alessandro Corbelli's wry, vocally immaculate Guglielmo is perhaps the jewel of the performance.

Don Giovanni, a rather more mixed bag, was given at the start of the 1987-88 season in a Giorgio Strehler production of vast Palladian perspectives. By all accounts its impact in the theatre was both awesome and a drag on dramatic tempo; again, the film version is obviously livelier, more agile. The casting is more "international," and also more uneven, than that for *Cosi*, with a coldly efficient, unflatteringly wigged Anna (Edita Gruberova), a moving but sometimes squally Elvira (Ann Murray), and a superbly fresh and youthful matching of Zerlina (Susanne Mentzer) and Masetto (Natale De Carolis). Its supreme virtue is to have preserved for posterity Thomas Allen's matchless account of the title role – coldly elegant, alarmingly violent, rich in witty emphases the more telling for being underplayed; and to have partnered him with Desderi's marvellous Leporello, a kaleidoscope of comic resentments.

Unfortunately, both of these Muti Mozart performances come with important drawbacks. They have been rendered in dullish sound, and provided with inadequate booklet information. Their worst failing, particularly bad in the *Giovanni*, results from the need of the RAI film director to superimpose Muti's sweaty visage on the dramatic proceedings – a gross intrusion that turns both "Soave sia il vento" and the Trio of Maskers into a quartet with a silent mimed obbligato for conductor, and that ruins all the finales. When the dramatic line has been so tautly pursued in Mozart, the effect of snapping it thus, even if briefly, amounts to a criminal offence.

Brief mention only for the Scala accounts of Verdi's *Due Foscari* (CVI 2060) and the Puccini *Trittico* (CVI 2057). Since the works themselves are relatively unfamiliar and hugely underrated, their addition to the video catalogue serves a purpose. But the singing in each is mediocre or worse – only Renato Bruson (Francesco Foscari) emerges with any credit.

Max Loppert

Poet in turmoil

JOHN DOYLE rounds off his first season as director of the Liverpool Everyman with another expedition into the unknown – in this case guaranteeing attention with a previously unperformed play composed by Alexander Solzhenitsyn during a jail stint in the early 1950s. Its partnership with Vladimir Gubaryev's post-Chernobyl drama *Sarcophagus* is typical of the ambitious programming of a young company not afraid of putting its neck on the line.

The interest of *Victory Celebrations* is certainly more historic than dramatic: written as a verse drama and unpublished until 1981, it has undergone a prose translation, by Helen Rapp and Nancy Thomas, that leaves some doubt as to whether it was ever intended to be performed. Slabs of anti-Marxist, anti-Stalinist polemic jostle with a maudlin lament for "innocent Russia, demented Russia" – a nation locked into a collectivism and a bureaucracy that nobody wants. The scenario frames the Soviet army at the moment of triumph over the Nazis in East Prussia in 1945: with a surge of shouting and stomping in the opening scene a Swastika is dashed to the ground and a huge mirror pulled down and resurrected as a table for a victory feast of looted goods.

Stenographers tap away beneath a grand piano; an opportunistic camp follower proudly displays gains including false teeth and a whistling kettle; two women discuss the benefits of marriage to an elderly husband. From the babble a patchwork of realities emerges: the chef, a bulbous elderly peasant (Ted Valentine) is an inveterate informer; one of the women (Maria Gough) is a collaborator whose lover is in the wrong camp; the heroes of the piece, such as there are, are a student captain (Andrew Rattenbury) whose dearest wish is for freedom of speech, and an officer whose ideal is the abolition of collectivism.

The absence of either makes this a hollow victory founded on the forcible conjunction of wildly disparate individuals under a yoke of ideology policed by a a savage little yes-man from Smersh (a vital, psychopathic Barry Killerby) who spends the first act giving the assembled company the evil eye, and the second with the label "Stalin's arse-licker" stuck ignominiously to his back as the gathering boils up into a drunken rabble.

Doyle and his co-director Linda Dobell work with the young Russian designer Alexander Borovsky within the framework of a great captured mansion, backed by stained glass and latticed by lights which obscure as much as they illuminate. It is a striking metaphor for a state in a turmoil that is reflected in the prevailing dramatic confusion. Voices are raised and lost, characters briefly established, arguments posited and songs of the homeland sung. Nothing is sustained or developed. From this often baffling rout soars the voice of a protesting poet, who has still to find a structure for his protest. Solzhenitsyn is not, for sure, a dramatist.

Claire Armitstead

The Official London Theatre Guide

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Kodo Drummers Closes May 19
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WHITEHALL, Whitehall. Tel 071-867 1119
Absurd Person Singular Previews May 8
T 0836.430951. ⊖ Charing Cross

WYNDHAM'S, Charing Cross Rd. Tel 071-867 1116
Pirandello's Henry IV Previews May 16
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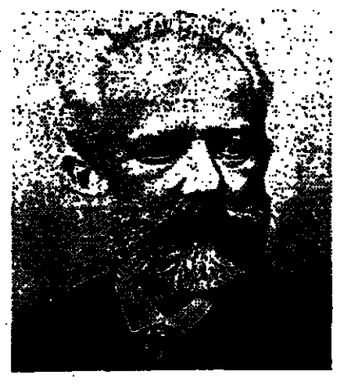
Life sentence on Chaikovsky

On the eve of the 150th anniversary of the composer's birth it is high time all the lurid myths surrounding him were exploded, says ***Roland John Wiley***

CHAIKOVSKY IS second only to Richard Wagner in suffering posterity's malignant preoccupation with his life, memorialised in romantic biography and on film. In Wagner's case we have come to distinguish life from art, but the ongoing intrusion of Chaikovsky's life into the message of his art produces distortions which feed upon themselves, placing a rational view of his achievement at ever further remove. If 10 per cent of the energy that specialists have expended on deconstructing the myth of Wagner had been devoted to Chaikovsky – an effort which has put in perspective the German master's scurrilous behaviour and the Nazis' corruption of his legacy – the relationship of life to art in Chaikovsky would be significantly clearer.



The problem has two roots: Chaikovsky's homosexuality, which he attempted to deal with discreetly, and posterity's response to it. Sexual orientation is not mentioned in Chaikovsky's first important biography, written by his brother Modest. Yet later, when Pyotr's diaries and letters were published, mystifying references and frequent editorial ellipses made plain that this topic had been expurgated. As the 20th century grew increasingly disdainful of Victorian mores, such a prudish disguise was subject to virulent sensationalism. All the while, other testimony extracted unrefined from the same documents suggested that Chaikovsky led a life of incessant emotional turmoil, of which his music was taken to be indisputable proof. Soviet specialists have responded to this state of affairs with a blind eye or with scorn, while western scholarship until recent times has dismissed both man and music as vulgar.

And why not? Accommodating the lurid continues to pre-empt the exploding of myths. In the most celebrated recent episode of Chaikovskiana, myth even poses as truth. Alexandra Orlova, a Soviet scholar of distinction who emigrated to the US several years ago, has disputed the cause of Chaikovsky's death, attributed by others to cholera. Her now celebrated hypothesis, that Chaikovsky died from poison taken to avoid prosecution for homosexual activity, cannot be verified in any of its parts. While its implausibility has been attacked, it demonstrates the continuing blight of prurience which harries Chaikovsky's reputation. As a matter of scholarship, Orlova's argument is problematical, not simply because it is vague but also because such an intense focus on a single event distorts the larger view. Salieri has been accused of poisoning Mozart, but the periodic resurfacing of this indictment looms very small in our appreciation of Mozart's music.

Meanwhile, wherever Chaikovsky is heard, we must wonder if another kind of mischief is afoot. A distinctive component of 20th-century scholarship has been devoted to stripping away the overlays of interpretation which separate music before 1800 the way we hear it now from the way it sounded when composed. A purist today might describe as "Chaikovskian" the way Wagner conducted Palestrina or what Nikisch would have made of Purcell with the Berlin Philharmonic. And yet, as this century enters its last decade, it is clear that music after 1800 is ripe for similar scrutiny and it is fair to ask if the generations after Chaikovsky have not themselves "Chaikovskied" his music, much as Nikisch might have "Teutonicised" Purcell. How telling it would be to know if the artist who portrayed the mad Czar Boris in Mussorgsky's presence sang whatever notes he pleased; or the first conductor of *Eugene Onegin* gesticulated on the podium as Yury Temirkanov does now; if Khan Konchak sang to Igor in Borodin's imagination with the nasal sneer of his Soviet counterparts; or if the venerable Eduard Napravnik conducted the first *Queen of Spades* with the tempo fluctuations we hear today!

To pose these questions is not to deny interpretation its place, but an attempt to identify the source of interpretive excess. Is it inherent in romantic music, or part of a commerce-motivated perception that purveyors of Russian music, among others, have intentionally put before us? In this connection Sergey Dyagilev, the 20th century's most charismatic exporter of Russian music, does not emerge unscathed: he mutilated Russian scores and was first to bring the ranting Shalyapin to the attention of the West. His decisions may have been appropriate to the circumstances, but to the extent they contribute to a generic abuse of interpretation which began well after Chaikovsky's death, it is unfair to describe them with Chaikovsky's name. We might as easily blame Beethoven for what Wagner made him sound like.

What should be done to make Chaikovsky's 150th birthday a happier occasion? Much, in fact, and all of it embraced by those two recent *émigrés* to English coinage, *glasnost* and *perestroika*. A new openness about Chaikovsky's life and the writing of it is overdue. The peccadillos of both, as we know them now, should be laid to rest with neither recrimination nor amnesty. In this effort, the superior bibliographic and reference skills of Soviet historiography might be applied to recapturing all Chaikovsky's sketches, biographies of his correspondents and of persons to whom he refers. Letters written to him, extracts from newspapers, journals and books that he reacted to in his own correspondence – all should be included in new editions. The fullest range of considered opinion about Chaikovsky and his art, both in its ethnic connotations – as an expression of Russian times and culture – and in its broader message, must also be encouraged.

His legacy should be properly reconstructed. At the least this entails a new scholarly edition of his music and writings, putting aside the pointless ellipses of the letters and the embarrassing mutilations of his music, such as the suppression of the imperial anthem in the "Overture 1812" and the "Marche slave" in the so-called academic edition that we have.

Because insightful commentary on Chaikovsky's music began with his contemporaries, it should be reinstated as the basis of a new and reinvigorated criticism. The challenges here are immense. It is foolish to persist in dismissing Chaikovsky's musical forms as awkward juxtapositions of simple patterns, his ongoing elaboration of motif, structural use of sonority, and the distinctive relationships by which he unifies the seemingly disparate movements of a large work are as important and sophisticated as similar devices in Schubert or Liszt. His operas need to be analysed so that Russian elements which mystify Westerners can be seen in the context of universal messages.

If this happens, some rethinking of Russian music in performance will doubtless follow in its wake. We will discover that its primary colours can still be primary without exaggeration, and legitimate emotions can still be expressed without interpretive gloss. In the course of time the entire Russian repertoire can be "de-Chaikovskied." But this should be done without zealotry, and in the knowledge that it is an alternative, with historical fairness on its side, to inherited fashions of interpretation. The two should coexist, like the Bach of Leonhardt and Gould or the Beethoven of Schnabel and Sviatoslav Richter.

In fact, this rethinking is already underway. Anyone who compares Mark Ermler's recorded *Prince Igor* (1970,) replete with headlong, coherence-rending tempi, and the moderately paced, fully sonorous performance conducted by Haitink at Covent Garden this February, or the "Pathétique" which the justly revered Mravinsky recorded 30 years ago with the latest reading by the mercurial Bernstein, will know the revelations of a less-fevered approach. In these two cases, the non-Russian has restrained the customary histrionics.

The time has come to consider every fact and issue of Chaikovsky's life in a calm and dignified way, free of political and commercial expediency. Only thus we can avoid re-cultivating spent terrain, and begin a fresh dialogue in which life and art are understood in their proper relation.

Happy "Marriage:" Elena Robinson, Steven Page and Lesley Garrett

Alastair Muir

Gripped by Figaro

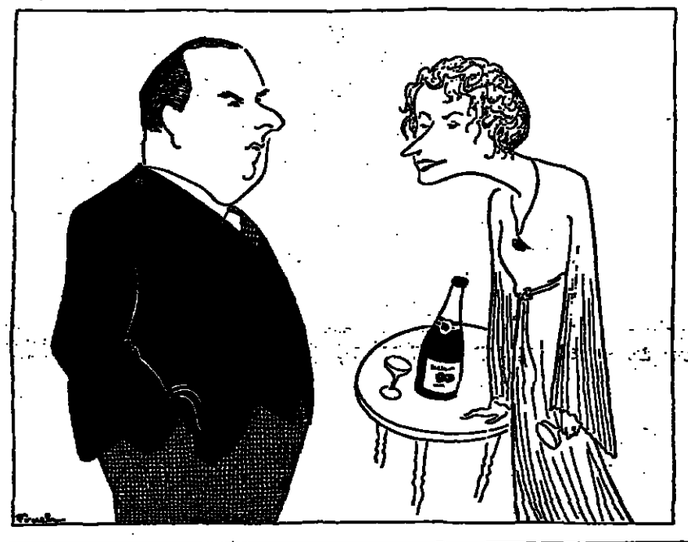
***David Murray** reviews the revival at the Coliseum*

ON THURSDAY the revival of Mozart's *Figaro* at the English *National Opera*, sponsored by the Worshipful Company of Mercers, was very nearly very enjoyable, and it promises much more. The teething problems were only what you'd expect of a *performance in which – on* the evidence – a beautifully rehearsed orchestra under a conductor (Michael Lloyd) with strong, consistent ideas was meeting a lively cast (most intelligently directed by Rebecca Meitlin) for the first time. These things happen.

The evidence was straightforward. Lloyd delivered the Overture with quite exceptional brio, taking his players to the limit but never going hectic. Plainly he shares the modern conviction that hardly anything in Mozart was meant to be as piously slow as in the last-but-one fashion, and he has an acute sense for significant orchestral details – but less knack for accommodating his singers, as soon became clear. Up-tempo parts of some arias caught them out, and in several *ensembles they barely clung* together. I judge Lloyd a fine Mozartean, and wish him more time with his casts. The overriding virtue lay in Miss Meitlin's *mise-en-scène*: no extraneous point-making, but *close, judicious attention to* character and interaction, and to the comedy.

Like many a rewarding *Figaro*, this one has no stand-out stars. Indeed the flaw in Lesley Garrett's Susanna, who boasts the biggest and brightest voice, is that she behaves like one: she preened knowingly, expecting us to appreciate that, and lost Susanna's earthy practicality. A good beta-plus "Deh vieni" didn't compensate for all the lightly-touched high notes – a feature of the role – that floated astray, nor her laying waste to the "Pace, pace" duet through not having learned to count it. Yet she made a firm, sympathetic partner for Valerie Masterson's exquisite-but-frail Countess in all their duetting.

The new Count is Steven Page, pitched *somewhere* between the brittly icy Count of Bergman's *Smiles of a Summer Night* and a more virile *Yes, Minister* Minister: a strikingly clever performance, with an *interesting* baritone timbre in which more metal is surely concealed (and wants delving for). The Australian Gregory Yurisich makes an amiable Figaro, with unusual bass resources (and unduly posh diction), but less a resourceful manipulator than a bumbling survivor – a natural Papageno. Rosemary Joshua's Barbarina is greatly promising, like practically all Barbarinas; I thought the wry, cavernous Don Bartolo of Richard Angas original and engaging, and Anne Collins' ripe Marcellina really international-class. All the English delivery is uncommonly lucid, and my 15-year-old was gripped throughout by his first *Figaro*: Mozart-loving parents, take note!



Drawn to the stage

Robert Morley and Peggy Ashcroft in the New York production of *Edward, My Son* at the Martin Beck Theater in 1948. As the drawing by Al Frueh shows, Dame Peggy played the part of a wife who consoled herself by resorting to drink. It is one of nearly 70 stylish theatrical caricatures by Frueh in the exhibition *West End Meets Broadway* which has just opened at the Theatre Museum, Russell Street, Covent Garden. Frueh began his career on the St Louis Post-Dispatch in 1904. Before the first war he travelled widely in Europe where he studied under Matisse. He then worked as the regular theatrical cartoonist on the New Yorker from 1925 until his retirement in 1962 at the age of 81. The exhibition shows his portrayal of a range of British and American players from John Barrymore and Harry Lauder to Margaret Leighton and Pamela Brown.

A.C.

Sisters catch up with the past

ENTIRE FAMILIES were wiped out in eastern Europe during the genocide inflicted by the Nazis on the Jews. But there were some families split between the survival of one or two members and the murder of the rest. Barbara Lebow's play *A Shayna Maidel* (which means "A Pretty Girl" in Yiddish) at the King's Head, Islington takes a somewhat special case of a Jewish family from a small Polish town where the father and the younger daughter escape to New York before the German invasion, and the older daughter and the mother remain behind. The mother dies in the Holocaust but the older daughter, by now a young married woman, survives, and makes her way to the US to join her sister and surviving parent. He has rapidly matured into a first generation Jewish American businessman, partner in a department store.

The action of the play takes place in the younger daughter's apartment in the Spring of 1946, and it concerns the coming together of the members of a family who were scattered during the most catastrophic years in the history of their race. The situation is so powerful that even if the dialogue were of extreme banality the piece would still take an unbreakable hold on an audience.

In the event, the dialogue – a mixture of American and Yiddish that is easy to follow – is not banal; but nor is it exactly inspired. It serves merely to flesh out the situation in terms of the near-past and the present as it affects the two sisters. It makes its fairly obvious point indisputably; the gulf between those who have been through hell-fire and those who have escaped it, is, and will always remain, unbridgeable.

The first appearance of Luisa (Trudy Weiss) in the living-room of her sister Rose (Laurel Lefkow) is a moment of almost unbearable poignancy as are her later reunions with her father (John Burgess) and her husband, another survivor (Simon Cutter). The director, Lisa Forell, has obtained minutely realised performances from these principals and from the other two members of the cast, Pamela Merrick as the Mother and Nina Botting as the best friend. The technique of Method acting at its most effective is used. Moments of high tension are communicated through long periods of silence and changes of facial expression.

Lefkow's Rose, vivaciously at ease in her pretty summer frock, is in animated contrast to Weiss's plain prematurely aged Luisa, gradually emerging from the cocoon of her memories of the terrible years. These memories are acted out in a series of flashback scenes. Simultaneously Luisa has to try to come to terms with the present, while her sister, equally painfully, becomes aware of the true meaning of the past. The guilt that always engulfs a conscious survivor is seen at its most acute in their father. It takes the external form of towering rages over the most trivial matters. Burgess makes these seem utterly convincing in a formidable performance.

Alastair Muir

Trudy Weiss and Simon Cutter

The play has already been frequently acted in America by regional and off-Broadway groups and this excellent production makes one understand why.

Anthony Curtis

Radio

Drama from public affairs

CHRONICLES OF Power, Anthony Howard's programme on Radio 3 on Saturday dealt with the published diaries of Cabinet Ministers, and so not directly with today's public affairs. Neither, as it happened, did *Public Affairs* on Radio 4 on Thursday, which was about the matter of William Tyndale *Junior School, Islington*, in 1976. But with respect to the Cabinet scribes, and to Howard's able presentation, this was the more interesting feature.

The William Tyndale case arose when left-wing teachers began what they regarded as "progressive education," or letting the children do what they liked when they liked. There seems to have been no restraint by the conservative teachers, none by the head teacher or the local authority; the reaction came from parents, who began to take their children away. After an official enquiry, the Auld Report set down principles of responsibility for head, governors and local authority. Six teachers were sacked. Remaining advocates of progressive education will find it hard to follow under the national curriculum.

Radio 4's Monday Play, Colin Davis's *Thin Boy*, concerned a Public Affair of another day, though a similar case is with us this week, about which I shall discreetly say nothing. Former US airman Claude Eatherly pleads Not Guilty in a Texas court in 1957 to a charge of robbing Post Offices. His defence is insanity. He claims to have been schizophrenic since the day he dropped the atomic bomb (the "Thin Boy") on Hiroshima. In fact, he never had dropped it, he flew in an accompanying weather aircraft. But he wrote to tell his mother that he had, adding "Say we are not heroes," which he knew would make him one.

In the more interesting part of the play, moments from the fatal mission are alternated with moments in court and some relevant argument between two doctors whose patient Eatherly has been. Eatherly is acquitted; but now we hear him talking with a writer who has written a book exposing his earlier lies. Originally he had argued that dropping the bomb was just a matter of obeying his orders, but now – hero though he be – he maintains that a soldier ordered to carry out such an unacceptable order must refuse. An absorbing play, I thought; Peter Whitman played Eatherly, and the director was Andy Jordan.

Tuesday's Radio 3 play was absorbing too, mainly for another reason. To write *Trouble Sleeping*, Nick Ward insisted on a six-week workshop period where he could "refine" the text in conjunction with the actors – an arrogant request, to my mind, but acceptable to the BBC and to the Royal National Theatre, who provided the facilities.

The play is a rustic drama in the manner of Edward Bond. Terence (Jim Broadbent) lives with his mother Rosemary (Patricia Routledge). He works on the railway, as his father did until he died of a brain-tumour. Rosemary is asked to take in her sister Ursula, who has been in a "special home" since her husband died. When she arrives, she has in tow Angela, a girl layabout she has just met on the station, whom she invites to stay as long as she likes and help herself to anything she wants. Add that Terence is devoted to shotguns, and a plot is laid out.

But when he finally threatens Angela in his determination to get her out, his mother intervenes, and it is she that is shot. She is buried under her favourite laurel bush, but the story has no real resolution. *Those six weeks* were well spent, for the dialogue, the characterisation, the acting and the direction (for which also the author is entrusted) are very good. Terence's bad habits that provide the title are only part of the décor. Too bad Puccini is not still with us to make it into a masterpiece.

I am only an occasional visitor to *The Archers*, so I am glad to have Jock Gallacher's *The Archers Omnibus* (BBC Books, £10.95, 128 pages), which gives every conceivable detail about Ambridge and the Archers, with maps and photos and all.

B.A. Young

Chess No. 821

The losing tries are: 1 Nf1? Qa2 or 1 Nd1? Qc8 or 1 Nc2? Qa1 or 1 Nc4? Qa5 or 1 Nd5? Qe8 or 1 Nf5? Qd8 or 1 Ng4? Qh8 leaving 1 Ng2! (threats 2 Ne1 or 2 Nh4) hxg2 2 Qe3 mate, or 1 ... Kg3 2 Ne1(h4) mate.

BOOKS

Science into poetry

VANISHING LUNG SYNDROME
by Miroslav Holub
Faber & Faber £10.99 (£4.99 paperback), 68 pages

THE DIMENSION OF THE PRESENT MOMENT
by Miroslav Holub
Faber & Faber £4.99, 146 pages

MIROSLAV HOLUB (b.1923) is the best known of living Czech poets and one of the most idiosyncratic of all poets. Just as Keats and William Carlos Williams combined a medical career with poetry-writing, so Holub has combined versifying with immunology, but with two differences. The first is that he is one of his country's leaders in the scientific as well as literary fields; the other is that, whereas for Keats and Williams their two professions overlapped only in vague and circumstantial ways, for Holub science in general and immunology in particular have been the very pith and marrow of his poems.

Proof, theorem and lab-report provide structures for Holub's distinctive, dead-pan lyrics; scientific enquiry informs his mode of paradox; and specialised immunological vocabulary is taken over wholesale for us to conjure with. He is the poet who has come along, as it were, to bridge the gap between C.P. Snow's "two cultures," but it is an eccentric bridge, and the reader does not easily cross it without feeling a certain vertigo and remaining unsure where he stands between Holub's ethical passion and his extreme linguistic playfulness.

Selections from Holub's poetry in English translation have been published by Penguin, Secker and Warburg (*Notes of a Clay Pigeon*) and Bloodaxe (*On the Contrary* and *The Fly*, jointly republished this week as *Poems Before and After*). Now Faber has taken him up, issuing a new collection, *Vanishing Lung Syndrome*, simultaneously with a gathering of 24 of his essays, *The Dimension of the Present Moment*. The books are intimately linked. Creative pieces in their own right, meticulously wrought and averaging the length of one of Dr. Johnson's *Ramblers* or *Idlers*, the essays treat discursively the same sorts of subject – an item of scientific research or the moral implications thereof – that the poems tease out and enact. Sometimes there is direct correspondence, as between the title essay, with its attempt to quantify the present tense, and the poems called "The Clock" – a self-undoing pseudo-mathematical proof, or spoof-proof, that is quintessential Holub – and "Spacetime" with its dizzying discrimination, "No . . . not never never never,/just never never."

The essays are delightful and diverse, full of quaint and curious knowledge, yet with a shining up-to-dateness that is equally a matter of Holub's familiarity with current scientific research and his poised colloquial eloquence (rendered here by a dozen translators led by David Young). Their genre is very much his own – more essentially literary than the brilliant scientific popularisations of Stephen Jay Gould, which sometimes come to mind, and more technical than the traditional English essay as practised by Francis Bacon or Dr Johnson. For oddity of predilection, though, as shown in his analysis of the posthumous cellular life of an exterminated muskrat or his demonstration that both Napoleon and Lincoln were victims of their pituitary glands, Holub displays a definite affinity with that lugubrious antiquarian, Sir Thomas Browne.

The quaint and curious quality of the poems in the new volume (translated by David Young and Dana Hábová) is immediately evident from their grouping under four headings taken from medical science; syncope, symptom, syndrome and synapse. They are at their most interesting, I find, when, as in "The Clock," "Glass" or "Funerals" (about confusions attending the demise of Chekhov), they conform to that pattern of deceptively lucid logical demonstration which Holub has made his own, although none of the examples here has quite the sharpness and decisiveness of earlier achievements such as the "Brief Reflection" sequence translated by Ewald Osers in *On the Contrary*. I find less compelling those poems such as "The Cloud Shepherd of Hans Arp" and "Landscape with Poets" in which the element of surreal fantasy (recalling prose-poems by Henri Michaux) that is always latent in Holub's verse becomes dominant. At any rate, Holub the clinical observer seems to translate better than Holub the surrealist.

Paul Driver

Warts, and all the rest

The author has resisted the temptation to either vilify or whitewash Tom Driberg, says ***Malcolm Rutherford***

TOM DRIBERG: HIS LIFE AND INDISCRETIONS
by Francis Wheen
Chatto & Windus £18, 452 pages

THE QUESTION about Tom Driberg is whether he is worth a book and, what is more, a book that runs to over 400 pages and clearly required a great deal of research. The answer, as delivered by Francis Wheen, is plainly yes. For Wheen has resisted the temptation either to vilify him or – which must have been stronger – to whitewash him. This is Driberg, warts and the rest.

The warts stand out. How could they not? Driberg was not an ordinary homosexual. He spent a large amount of his time loitering around public lavatories and chasing after waiters in restaurants: remarkably often he achieved his quarry. The trouble was, however, that apart from brushing with the law he insisted on banging on about it. Anthony Crosland was once expected to drive Driberg back to London after a country house weekend. He objected because "all Tom really wants to talk about is his squalid sex life." Crosland made an excuse and left early.

Others were more indulgent and retained a lingering affection for Driberg until the end. Their attachment was not sexual, for Driberg's proclivities were confined almost entirely to the lower decks. Much of the rest of his life was spent around the upper reaches of the establishment: the top of the Labour Party, the Anglo-Catholic church, spies, intellectuals, journalists and poets.

Driberg was educated – a couple of years behind Evelyn Waugh – at Lancing, the school originally set up to promote the Oxford Movement. The religiosity that it endowed stayed with him the rest of his life: he left some money to the Friends of Lancing Chapel in his will. At Christ Church, Oxford, he failed to take a degree but met a lot of people. Edith Sitwell said that he was "the hope of English poetry."

It was Sitwell who secured him his first proper job, with the *Daily Express* under Lord Beaverbrook. Driberg became the paper's first William Hickey. It was a different job and a different paper from what exists today. Driberg changed the rules of society gossip writing. "Social chatter about the eccentricities of gilded half-wits is dead," he informed his readers. He wrote about society with a large and small "s." And, as Wheen observes, if it was Evelyn Waugh who bequeathed the *Vile Bodies* generation to posterity, it was Driberg who first brought them to public notice in his column.

He became a bit of a public figure, attracted to politics. The convention of the wartime coalition was that if there was a by-election caused by the death or retirement of the sitting MP, the other parties would not contest the seat. That left the way clear for Independents. Although he had been a member of the Communist Party at Oxford – he was expelled for reasons that are not made clear even in this book – Driberg stood as an Independent in the Essex constituency of Malden, where he lived, and was elected. He joined the Labour Party in 1945 when the Party threatened to put up a candidate against him if he insisted on standing as an Independent.

Afterwards he was a Labour MP, on and off, for the best part of 30 years. He belonged to the Party's National Executive Committee from 1949 until 1972 and eventually, somewhat Buggins' turnish, became Party Chairman. He was made a Life Peer, largely at the prompting of Michael Foot. He wanted to be Ambassador to the Vatican but Harold Wilson turned him down. Throughout that political period, Driberg embraced most of the left-wing causes: nuclear disarmament, for example. But even his political allies admitted that he was not much help. He was an infrequent attender of committee meetings and John Freeman, a more assiduous Labour Party man, observed in a note to Wheen: "He was seen by his Labour colleagues as a lonely, unpredictable figure who was not one of us, but whose heart was probably in the right place, who was a bit of a character – even though a character to be disapproved of."

Still, the political Driberg had his ups as well as downs. He was the first British MP/journalist visitor to Buchenwald. He struck up a friendship with Lord Mountbatten, who persuaded him that Prince Philip would need income support from the state. He had interviews with Kruschchev and a scoop with Guy Burgess after the latter's defection to the Soviet Union. It was Driberg who found Burgess a live-in male lover – from a Moscow public lavatory that, after five years of living in the city, Burgess had failed to discover.

Where Wheen's book brings out the warts in full is in Driberg's treatment of his wife. It is not clear why he married Ena Binfield in the first place. She was a Labour Party worker with some intelligence and a big heart. Possibly Driberg wanted a veneer of respectability: perhaps he just wanted to surprise. The wedding dress was provided by Schiaparelli, whom Driberg knew from his days as a gossip columnist. The marriage was awful, Driberg behaved appallingly almost throughout and Wheen makes no apologies for his behaviour.

If there is a remaining question, it is why so many people put up with Driberg for so long. Even Anthony Crosland sent a wedding present of five guineas; Roy Jenkins sent only three. It does not seem likely that Driberg was a spy – single, double or even triple agent, as Chapman Pincher and others have suggested. Wheen deals effectively with that, though Driberg would probably not have minded the rumours.

He was worth a book. Wheen has done it well and that should be the end of Tom Driberg.

On Watership Down

***Anthony Curtis** looks back with Richard Adams*

THE DAY GONE BY: AN AUTOBIOGRAPHY
by Richard Adams
Hutchinson £18.95, 398 pages

THE GENERATION and group to which Richard Adams belongs, men who were up at Oxford or Cambridge when war was declared in 1939, experienced the passing from one era to another with peculiar suddenness. It seems, as Adams describes it, like a play, a drama rich in both tragedy and incidental comedy. In the first act the author introduces himself as the clever third child, much younger than his siblings, of a Newbury general practitioner. Richard is kindly but strictly brought up. To his uncommon ability, and determination to succeed, is added an impressive knowledge of wild flowers and birds learned from his father on rambles around their three-acre garden and farther afield on Watership Down or Greenham Common.

There follow the usual brutalities of pre-war prep (Horris Hill) and public (Bradfield) school life, and a worsening situation at home as his father starts to lose his grip on his medical practice. But at school he meets the civilised charismatic master who encourages him to sit for an Oxford scholarship in history, and he duly wins an award at Worcester College. After all that he has suffered on the way there, Oxford is pure bliss. He has his own china and silver polished by his scout who serves luncheon parties in his rooms. He spends a lot of time on the river, punting with his friends to the strains of a wind-up gramophone, etc etc. He is still naive in many respects, particularly with attractive members of the opposite gender, but the scales are falling fast from his eyes. This is the Oxford of Brian Howard and Harold Acton, not that of Philip Larkin and Kingsley Amis.

Then suddenly the call-up papers arrive and we are in Act Two. He joins the Royal Army Service Corps, his history degree unfinished. The young gentleman is on his way to Aldershot for a protracted bout of square-bashing and military indoctrination to be followed by OCTU and a commission as a lieutenant. He sees his first service in this capacity in Northern Ireland; he then becomes part of an air-borne division and is in Europe for the liberation of Brussels. His baptism of fire comes during active service in the operation known as Market Garden, the ill-fated Battle of Arnhem, which he describes from the vantage-point of the "Corridor," the area around Nijmegen where many of his unit were killed or wounded. We get here a searing eye-witness account of one of the major military catastrophes of the war.

Lieutenant Adams – by now he is 24 – has well and truly grown up. The war in Europe is over at last. He has done four years in the Army, acquiring the intimate knowledge of how men behave under the stress of combat that will serve him so well when, 40 years later, he comes to write the battle scenes in *Watership Down*. He is promoted to the rank of Captain and stitches the coveted wings on his battle-dress after he has performed the statutory series of jumps as part of a "stick" of parachutists. And he still has another period of service to endure – in Singapore. He describes well the mood of frustration in between VE- and VJ-days felt by people in his situation and the unforgettable sight of those who had been imprisoned and tortured by the Japanese. He makes us understand how thankful he and his fellow-conscripts were at the news that this phase was to come to a sudden close with the dropping of the bomb.


Richard Adams: 70 this week

In Act Three Adams gets his demob papers early, under Rule B whereby if your degree had been interrupted by the war you could apply for immediate release. His father has died and the family home has been sold. He meets the 17-year-old daughter of a neighbour, Elizabeth Acland, delightfully pretty, who is having problems with her Latin. The main events of this Act – marriage to her, two daughters, a career in the Civil Service to be followed by a "third age" career in literature – are all held over for volume two.

It would be pleasant to praise this first volume unreservedly for its honest and pungent account of what happened to one highly articulate member of the generation that went into the war as spoiled Noel Cowardy darlings and ended it (if they survived) as disillusioned, battle-scarred veterans. The book's great merit is the excellent testimony it offers of that experience. But a review must end nonetheless with caveats to potential readers of *The Day Gone By* (the title comes from a poem by Walter de la Mare).

Adams's problem is that he has too good a memory and too little self-criticism. Everyone he has ever met, however briefly, all his childhood friends, all his prep school contemporaries, or so it seems, and several of his father's patients, are studiously included. Encounters with many of these individuals have only a tenuous relevance to the main narrative. You are invited to share in such activities as the author's insatiable appetite for competitive card and board games. On top of which there are his continuing passions for flora and fauna, for popular verse and mnemonic jingles – it all goes in. The result is a book, in essence of interest to many people, that needed shaping and cutting by about 100 pages. Adams is a shrewd judge of character and possesses a capacity for fine, clear descriptive writing, but unfortunately he frequently fails to see when he is in danger of becoming a bore.

Rewriting history by digging it up

WOOLLEY OF UR
by H V F Winstone
Secker & Warburg £16.95, 314 pages

THE EARLY part of this century was a heady time for archaeologists in the Middle East. Their digs found gold – and confirmed the Bible. Tackling huge problems of how peoples, technology and trade spread across a continent, they knew the pleasure of rewriting history by digging it up. This was the life of Sir Leonard Woolley (1880-1960).

The gold jewellery and the sacrifice of 68 ladies of the royal court of the Third Millennium BC which he discovered at Ur in Mesopotamia rivalled Howard Carter's Tutankhamun in the headlines. A new vision of the past opened up at the mound that might have been Abraham's home town. Woolley was a brilliant and patient digger. He waited years till his men were skilled enough to tackle the rich royal tombs, and his books and lectures described what he was doing with a directness unusual in an academic. The public loved his claim to have found Noah's Flood, at any rate a flood.

But he was hopeless with women. His wife, Katharine, a German-speaking Central European whose first husband may have died by shooting himself at the foot of the Great Pyramid, was a domineering, snobbish mischief-maker. In the cramped space of the dig she demanded her own bedroom – as she had done on their wedding night. It made problems when she felt ill, which was often. So poor Woolley, who worked from 5am till midnight, would tie a string to his big toe so she could call him in the night.

Agatha Christie visited the dig in 1928, saw the havoc she wreaked on the team and made her the victim in *Murder in Mesopotamia*. The murderer, Poirot finds out, is her husband, the director, who in the end has had enough and rolls a stone off the roof and kills her. The cross group of diggers in the book sounds all too true, but also present at Ur was (Sir) Max Mallowan, who had the luck to be asked to show Mrs Christie around. They lived happily ever after.

An odd chance put Woolley into this career. Intending to be a priest like his father but getting only Seconds in Greats and Theology, he was summoned by Warden Spooner of New College and told he would become an archaeologist. He started work in the Ashmolean, where he met D.G. Hogarth, later head of the Arab Bureau in Cairo, and a boy called T.E. Lawrence. In 1912 Woolley took over Hogarth's dig at the Hittite city of Carchemish, which happened to be where German engineers were bridging the Euphrates for the Berlin-Baghdad Railway. Money for the dig came from an unknown benefactor. Lawrence was Woolley's assistant.

It was an exciting time for the two young men. People were armed on the dig. When the local governor wanted to stop the work, pointing out that the permit was in the name of Hogarth, Woolley held a revolver to his head. Later, when the Germans were on the lookout for our heroes, they quite missed two chaps called Jones and Robinson.

It is hard to know if there was a conscious plan to spy at Carchemish, or whether the two were told simply to keep their eyes open. By early 1914, however, their work was only ostensibly archaeological when they were asked to explore the Negev and North Sinai. In 1915 Woolley was in charge of spy ships in the East Mediterranean and in 1916, on board HMY Zaida (Lord Rosebery's yacht in civil life) he was mined off Alexandretta, to spend the rest of the war as a POW in Turkey.

Ur began in 1922 and lasted with all its domestic dramas till 1934. Then came a dig at Atchana at the mouth of the Orontes in Syria, a site Woolley chose for the evidence it would give of links throughout the whole Levant. When the war came, he returned to Intelligence, and by the end of it was living in the Dorchester and working to save monuments and recover stolen paintings in Europe. He failed to obtain Anthony Blunt for his office.

Katharine's death in 1945 left him free to start a new life. It was a disaster. He fell head over heels for a clergyman's wife. The cleric got a divorce, but barely had it come through before she fell for her son's tutor. Woolley paid her off and lost what modest wealth he had. But he carried on writing and lecturing till he died.

H.V.F. Winstone's life is a fine account of all sides of his archaeology. Read also anything that Woolley wrote: it is bound to be good.

Gerald Cadogan

Fiction

Beyond the small potatoes of living

DEATH'S DARKEST FACE
by Julian Symons
Macmillan £12.95, 272 pages

TAKING THE DEVIL'S ADVICE
by Anne Fine
Viking £12.99, 211 pages

ROOM TEMPERATURE
by Nicholson Baker
Granta £11.99, 116 pages

KEEP THE CHANGE
by Thomas McGuane
Secker & Warburg £12.95, 230 pages

JULIAN SYMONS is due to collect an award next week for a lifetime's service to crime writing, and his publishers are marking the occasion by bringing out his latest novel as mainstream fiction rather than part of their crime list. It is a sensible enough move, because the book is more a literary examination of times past – notably the 1930s – than a whodunnit along traditional lines. For most of the book indeed, it is not even certain that a crime has been committed, although a body has undoubtedly disappeared near a Kentish beach.

The story is presented as a private manuscript written 30 years after the event by a smalltime actor who grew up in 1930s Kent, where he was a friend of Hugo Headley, a moderately well-known poet. When Headley's car was discovered near the sea one night, it was widely assumed that he had drowned after going for a midnight swim. But no body was ever found and the actor's theory is that he fled the country after a row with the actor's father over a woman.

Years later however, the body does turn up, and a more sinister truth emerges, a truth involving illegitimacy, blackmail and a host of other evils too complicated to go into. The puzzle is pieced together by Symons from a painstaking analysis of a manuscript sent to him after the actor's death. He tells an absorbing tale, albeit a little more complex than it needs to be. If one wanted to quibble, one could say also that the book is padded a bit to bring it up to length – but that is a sin to be laid at the publisher's door rather than the author's.

Anne Fine's second novel, *Taking the Devil's Advice*, bears an uncanny resemblance to her own life, concerning as it does the collapsed marriage of a nice young woman to an Oxford philosopher currently living and working in America. Readers should not hurl the book away in disgust however, because it is not in the slightest bit maudlin or self-pitying. It is very perky, shot through with wit, and full of effervescence and good humour.

The plot is slight. Philosopher Oliver has returned from America to spend the summer vacation in his ex-wife's airing cupboard, where he is writing his autobiography. She lives downstairs meanwhile with their children and her new boyfriend, a not very bright gardener. From time to time the adults bump into each other and exchange snappy dialogue. From time to time, also, Constance gets hold of the manuscript and adds her own version of events, very different from Oliver's.

A picture emerges of a mild, dreamy intellectual, very sound on matters ontological but quite unsuited to anything else, particularly the mundanities of real life; the gardener is of more use around the house. Anne Fine clearly has an axe to grind here, but she grinds it gently, without any hint of malice. For all her good nature though, it would be nice to see her broadening her horizons in her next book, attempting something more ambitious. She has the talent to go way beyond what she herself admits are "the small potatoes of living."

The same criticism applies to a certain extent to Nicholson Baker, who enjoyed a considerable success last year with his first novel *The Mezzanine* – the story of one man's lunch hour – and is following it up now with *Room Temperature*, the story of one man's thoughts in Quincy, Massachusetts, as he feeds his six-month-old daughter and rocks her gently to sleep.

Exhausting thoughts they are too, everything from the history of the comma or the resemblance of the Pilgrim Fathers to Venetian merchants, to the grasses of North America and the work of Dr Marie Boas Hall on Robert Boyle's experiments with the air pump. The author is obviously very widely read and blessed (cursed?) with a hyperactive mind. He has an original way of putting things which can only be admired. What he has written though is not a novel so much as a slim volume of *belles-lettres*, albeit a very entertaining one. He will have to buckle down to the age-old problems of character and plot if he is planning a long-term career for himself as a fiction writer.

Keep the Change, by Thomas McGuane, is a quintessentially American tale of a homespun Montana boy who sets out to seek fame and fortune – in his case as a freelance illustrator, after studying art at Yale – then goes home again years later to rediscover his roots. Abandoning his Cuban girlfriend in Florida, he returns to the prairies, takes on the family ranch, and re-establishes contact with his childhood sweetheart, long since married to an old rival.

Times have changed of course, and nothing is as it used to be. The hero searches hard for his youth, but fails to find it. His girlfriend follows from Florida and leads him gently back to the present. One would feel sorry for him if the author had written a more lucid book, but there are too many awkward passages, too many muffed scenes, for the reader's sympathies to be fully engaged.

Nicholas Best

In the teeth of death

THE RUFFIAN ON THE STAIR
by Rosemary Dinnage
Viking £14.99, 291 pages

IS ANYONE able to talk honestly about death, Rosemary Dinnage wonders in the introduction to her collection of interviews, in which her superb skills as an interviewer unearth not only the fear of death but the superstitions and the remnants of religion and myth with which we shelter ourselves from it.

As in *One to One*, her book of interviews about psychotherapy, Dinnage omits herself and her questions, presenting each interview in the form of a monologue. She also omits biographical notes, or explanation of her choice of interviewees; the contents page, juxtaposing the known (Jonathan Miller and Edward Blishen, for instance) with the unknown or the anonymous, is, like death itself, a great leveller. It then emerges that as well as ordinary (and famous) men and women, the interviewees include those who deal with death professionally (a fireman, AIDS nurse, medium, psychotherapist and clerics), or who are yet more intimately concerned with death because dying themselves.

Dinnage is also a leveller. She elicits, from the intellectual and less educated alike, admissions of beliefs about death not unlike those of the Sora, a tribe in India discussed by the anthropologist Piers Vitebsky, who believe that shades are "kept alive" in the next world through their relatives' remembrance of them, becoming more shadowy, or dying a second time, when no longer sustained by the living. What Freud is cited as calling "psychic prolongation," and the inchoate half-belief of Blishen and others in this volume, is like a pale shade of the Soras' fully-fledged eschatology. Many interviewees refuse to believe in the total extinction of their dead, and many claim inability fully to believe in their own death. Several propound the modern theory that humans themselves make their illnesses, and succumb to them through weariness of spirit, just as they can hold death at bay by strength of will; this seems to show a far more primitive sense of anthropocentric omnipotence than anything manifested by the Soras. As Rosemary Dinnage says, "the fears and feelings [of] less self-conscious societies are still very much part of the furniture of our own minds."

Yet not sufficiently to be reassuring, because the floor on which the furniture stands is now the materialism predominant in our society, in which religion is too frail to provide a bulwark against uncertainty. Even Rabbi Friedlander and Archdeacon Perry are defensive and doubt-ridden, unable to offer their flocks sufficient sustenance in the teeth of death. The medical historian, Roy Porter, describes how, until the 18th century, dying was a public event in which you had to "show your mettle" in front of your family and friends, and how with the coming of opiates and the demise of Christianity it has become progressively more "private," hidden away in hospital and hedged around with euphemism both for the dying and the surviving. Like almost all the contributors, he laments our lack of ritual and our squeamishness in the face of death.

But this ignores that belief in an after-life is itself a form of squeamishness,and that we are extremely brave nowadays to confront death nakedly without myth or hope. Or rather attempt to, for the myth of after-life and its surrounding panoply of rituals have been replaced by what the bluff Catholic Ned, with appealing astringency, calls "the 'Do not go gentle into that good night' act."

Of course the new sentimentality of humanism, with its liberal tendency to embrace all beliefs and endorse none, is precisely what inspires this book and emerges through it. "Human beings cannot bear much reality," and few of us can joke, as the dying Oscar Wilde did in his tawdrily-decorated Parisian room, "Either that paper goes or I do!"

Jane O'Grady

CLOCKS, WATCHES AND JEWELLERY – A WEEKEND FT SPECIAL REPORT

Fashions change with the times

THE worldwide clock and watch industry has changed more in the last 10 years than at any time since the invention of the wristwatch. During this decade world demand for watches has more than doubled and the centre of production has switched from Switzerland to Japan and Hong Kong, which between them last year accounted for more than 70 per cent of production.

A major turning point was the decline in the production of mechanical watches at the middle and lower end of the market due to the growth of the quartz timepiece. The popularity of analogue quartz watches is still growing, but at the same time the mechanical movement is enjoying a revival. Such changes have greatly affected the big manufacturers, especially the Swiss.

Once the accuracy of a watch related directly to its cost: the more accurate a watch, the more expensive it would be. With the advent of cheap, ultra-reliable quartz watches this link was destroyed. When the Japanese cornered the market with cheap, stylish, reliable watches, European and US companies were forced to cut their prices and concentrate on marketing and packaging.

The reduction in unit costs, together with the change in technology, meant that the large Swiss and US companies which had dominated the industry for so long found themselves with massive investment tied up in outmoded technology. According to Francoise Thieband, director general of Breitling, the advent of quartz watches with LED (light emitting diode display) and later LCD (light crystal displays) "caused everyone to think that the mechanical watch would cease to exist, as it would be unable to compete with the accuracy of quartz."

Faced with a potentially catastrophic fall in sales volume in the middle range, Swiss watch companies cut back hard on their organisations, with many closures and redundancies. Swiss watchmakers even encouraged their children to find other professions, as they saw no future in watch making. As a result, only a few master craftsmen survive to cope with the demand for traditional timepieces.

However, some kept their heads. Geoffrey Ashworth, general manager of Jaeger-le Coultre UK, recalls: "We kept on to our watchmakers when others were panicking. As a result we can benefit from the current resurgence in mechanical timepieces."

The '80s were not plain sailing even for the Japanese. Seiko, one of the world's biggest watch makers and the company responsible for launching the first quartz watch, has recently experienced difficulties. Having benefited from the phenomenal growth in demand in the middle of the decade by skilfully exploiting the market, it saw its profits cut back heavily in 1985 as a result of the rise in value of the yen and a change in the nature of the market.

However, the overall success of the Japanese was to have unforeseen consequences. Owning two watches ceased to be a luxury due to the significant fall in price: as a result, the potential market doubled in size. The Swiss fought back with the launch of the low-cost, high-fashion Swatch. The watch was no longer just a mechanism for telling the time.

Swiss manufacturers have concentrated on areas in which they believe they can be market leaders. Breitling specialises in instruments for professionals – pilots and navigators and the like. Luxury Swiss makers such as Piaget, which has always produced high-quality watches and limited editions, chose to concentrate on the value of watches as working jewellery. Others, such as Breuget and Alfred Dunhill, have concentrated on "sporty" watches.

It's been a difficult decade, says ***Frances Wasteneys***

Jaeger le Coultre, part of IWC, has demonstrated that product development is one of the key aspects of survival. The company plans to be at the forefront in the 1990s with its Odysseus collection, introducing one or two models each year up to the year 2000. By enhancing the accuracy of a mechanical movement with quartz they have created a market for high value watches. As John Keeping of Jaeger explains: "There is always a market for top-quality watches. Demand for these is so high that it is delivery that causes the problems. IWC sold the whole of its 1990 production before Christmas."

There are distinctive trends in today's market. It seems that the consumer is now tiring of modernism and prefers to reminisce: antique watches continue to break price records in the salerooms and the "classic" watch is proving to be one of the most desirable collector's items. Following the success of a recent Patek Phillipe exhibition and the unprecedented level of interest now being shown in mechanical watches, Garrards in London plans to hold another exhibition at the end of May of the world's most complicated watches, as well as historical pieces from companies such as Patek Phillipe, Corum, Girard-Pirregaux and Audemars Piquet.

Watchmakers following the trend have recently launched "old-style" watches. Jaeger-le Coultre launched the Reverso, a perfect copy of a 1930s model, and Omega launched a series of "Moon watches" celebrating the first manned landing on the Moon 20 years ago, when an Omega Speedmaster Professional chronometer was used by the astronauts. Audemars Piquet has launched a "vintage collection."

Today there is a strong swing towards the more complicated chronograph which combines many of the six classics of watch-making art in one case: the ultra slim mechanical movement, the moonphase and perpetual calendars, the tourbillon, the extra-slim self-winding chronograph with or without a split second hand, and the minute repeater.

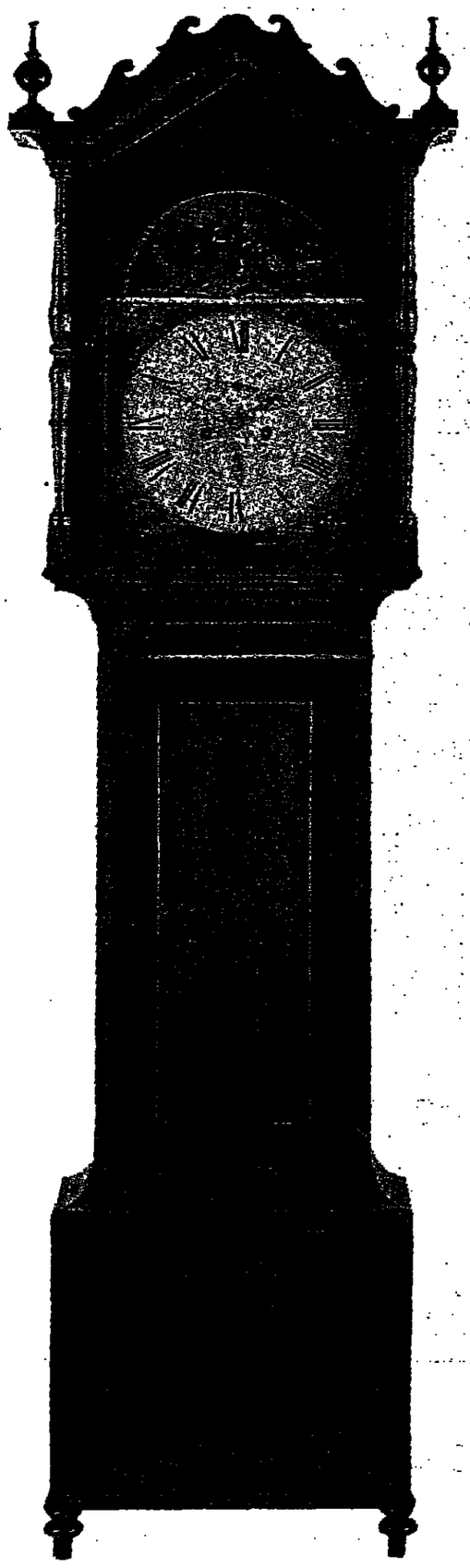
Newcomers to the *cercle d'elite* have been the "designer" watches, chiefly offshoots of the international fashion houses. Gucci was the first to launch such a watch; today such timepieces are made by nearly all the top fashion houses, including Yves St Laurent, Hermes, Chanel, and others such as Ralph Lauren, Burberry and the luxury luggage makers Louis Vuitton. These watches are expensive, well marketed and can be seen as a fashion accessory, but unlike the cheap fashion watches they are anything but disposable.

Whatever the area, the watch market shows no signs of slowing. Citizen of Japan continues to record the world's largest production of watches for the fourth year running; the Watch Gallery recently opened its second showroom in Jermyn Street; and Harrods has refurbished its jewellery department, creating a room devoted entirely to top-quality watches.

The opening up of Eastern Europe and the growing Far Eastern economies will allow further expansion, albeit at a slower pace. At the volume end of the market the prospects can best be summed up by a Seiko executive: "The battle for number one is still on."

As Alick Campbell, a management consultant, explains: "Survival into the next century will depend on how the watchmakers respond to the increasing demands made on them in a fashion-led market. It is clear that the big Japanese companies will need to improve their ability to respond by coordinating their marketing skills with leadership in product development and rigorous attention to production efficiency."

The Swiss have an equally difficult task: their current policy of specialisation, backed by an established reputation for quality and craftsmanship, is not an open ticket for dominance of their sector. The mass producers are already casting an eagle eye on that profitable niche.



The clock that caught Michael Thompson-Noel's eye at Phillips. It made £1,600, plus 10 per cent buyer's premium. For another £200 it can be put into "good domestic order"

A voyage round my grandfather clock

IT WAS A lonely childhood, virtually an orphanhood. As a result of my lonely times, I became extremely fond of dogs, cats, rabbits, books, my bicycle – and clocks. I liked clocks for all the obvious reasons. I liked grandfather clocks for the additional reason of their height. They were tall without being authoritarian, a novel combination to a small boy.

I do not like watches. The one I wear is an all-black Swatch, cheerful and cheap – and that is enough. Clocks are different: pieces of furniture, comforting presences. I have never bought a clock. I know nothing about them. But I would like to own one. With a bit of luck, I am about to realise a good profit by selling a picture. If things work out I will have more than enough money to buy more than one clock. But where to start?

Because of their mechanics, clocks can be off-putting. Because of their moving bits they are unusual works of art. How do you determine the value of what you are buying? Do the bits go together? Is it all the same clock? By the time you get it home, is there any guarantee that the thing will work? *How* do you get it home? If you manage to get it home, how do you set it up? If you manage to set it up, how often should it be cleaned? Will its value rise? In short, how do you avoid a pig in the poke?

Because I am a complete novice, I am starting slowly. But I am making some progress. The first man I went to see was Christopher Greenwood, head of clocks at Phillips the auctioneers in London's New Bond Street. He is a helpful person who gives sound advice.

The first thing he said was: "Look at a lot of clocks so as to discover what you want. You wouldn't go and buy a used car without deciding first whether you wanted a hearse or a sports car, or discovering whether the engine worked. So it is with clocks. Antiques are old. Because they are old you should ask a lot of questions. Do your homework. Study many examples. Do you want a longcase or a bracket or a mantle clock or what? Something plain and simple, or lavishly decorated? English or French? A chimer or not? Wooden with glass? Wooden without glass?

"Attend two or three auctions. Study the prices. Find out what the dealers would charge to renovate and clean a clock bought at auction. Study *their* prices. If a dealer has a £1,000 clock that has been totally and splendidly rebuilt, and he is asking £1,800 for it, it may well be a very good price. What you need to understand is that an auction is very much a wholesale clearing operation. Most clocks at auction may not have been maintained for very many years. They may have suffered the indignity of massive and erroneous tinkering and restoration.

"In short, you must allow for the cost of cleaning, overhaul and restoration. It is very difficult to find competent repairers and restorers. It is a totally unregulated field, with very little comeback. People still say that they know a wonderful little man who makes their clocks go. But their wonderful little man may be doing tremendous damage.

"As for saleroom estimates, I like to put lowish estimates in the catalogue, realistic ones. I normally say that a private buyer should be prepared to go to twice my lower estimate. If it goes for more then other people are seeing more in a clock than I have seen in it.

"Prices? They generally fell between 1980 and '83; in the last two years they have risen fairly steadily. In terms of investment, there are no guarantees. The better longcase clocks (say £3,000 to £6,000) have not moved much, whereas late 17th and early 18th century English clocks which were selling for £10,000 to £20,000 in 1984-85 are now making £60,000 to £80,000 at the rarer end of the market."

Michael Thompson-Noel goes looking for a classic clock

After our chat, we strolled round the Blenheim Room, examining various clocks which were due to be auctioned on April 24. One, in particular, caught my fancy: a 19th century mahogany longcase clock made in Scotland – signed *Jn Templeton, Ayr* – with a pretty 14-inch arched painted dial "with subsidiaries" (whatever that means) and a "twin train movement with anchor escapement" (whatever that is). It was 7 ft 2 in high.

All rather jolly – a striking piece of work which seemed to me, an out and out novice, quite modestly priced. Christopher Greenwood's pre-sale estimate for this clock was £800 to £1,200. I was genuinely tempted. "The case may or may not need attention," he told me, "while a complete overhaul of the movement would cost between £150 and £250. For approximately £200, therefore, you would be able to get this clock into sound domestic order. Then you'd have to get it home. And someone would have to set it up. Quite a nice clock."

On his guideline of twice times the lower pre-sale estimate, I would have been advised to go to a maximum of £1,600 for this clock at the auction. I did not get to the sale. In the event, the clock fetched . . . £1,600 (plus 10 per cent buyer's premium). Bang on target. Jolly good advice. I shall know what to do when I finally make a purchase.

The second person I went to see was Jeffrey Rosson, a third generation horologist, fellow of the British Horological Institute and owner of City Clocks, which sells, repairs and restores clocks and is found in London's Amwell Street (EC1). Repairs are carried out in its own workshop. You can watch while they work. It backs up its work with a 12-month guarantee, not something you get from the auction houses.

For a charge of £25, Rosson will go to an auctioneer's and give you his opinion about a clock; for the same sum he makes house calls, and gives you half-an-hour's work. "A specialist clock dealer will invariably give you a 12-month guarantee, or a discount instead of a guarantee if the clock is going a long way – Toronto, say. My stock is mainly clocks-as-good-furniture, not the rarer clocks that would suit a collector. Prices vary from a few hundred to £7,000-£8,000. They are bought mainly as presents. New-money customers with new houses like reproduction clocks at about £1,500, though new clocks have little intrinsic value once you've bought them, unless they're specially hand-built. Old-money customers buy antiques.

"The difference in price between me and the West End of London is about 40 per cent, which represents the difference in gross profit margin needed to trade. Clock prices probably vary as much in London as they do throughout the country. It is vital to shop around, and to discover what back-up you're getting from the dealer in terms of guarantee. Anyone can bring a clock back here within 10 days and get his money back if a clock doesn't suit, though that has only happened once."

Finally, never believe people who tell you at the dinner table that the time to buy antique clocks has gone, that prices are now too inflated for anyone but mugs. This is simply not correct, for at City Clocks one recent Saturday morning prices were on the move before my very eyes.

While I was in the shop, Rosson was in the process of increasing the price of a handsome 18th century oak longcase clock from £2,750 to £3,250. "I feel I've underpriced," he said, "and looking around I discover that it is grossly underpriced." So up it went. Just like that.

I have not yet purchased a clock. I have a long way to go. Probably many months. But I seem to have made a start. Christopher Greenwood and Jeffrey Rosson were generous with their time. I shall visit other generous specialists. Then I will buy a clock, and plunge back into childhood.

Marilyn Bentley admires globes, astolabes and orreries

When science becomes art

THINK TWICE before you discard that old Amstrad personal computer – you could be throwing away a collector's item of the future.

"Instruments for the measurement or explanation of natural phenomena": this working definition of what constitutes a "scientific instrument" was offered by Dr Jon Darius, senior curator, scientific instruments and astronomy, at the Science Museum in London. But he would readily agree that it belies the scope of history, the romance and beauty contained in an area of increasing interest to collectors.

Scientific instruments chart the history of discoveries of all kinds and the development of industry and technology. Examples of navigational instruments have survived which pre-date the knowledge that the world was round, while Darius' latest acquisition is an image photon counting system which was in use until about two months ago in the Panama observatory in California.

In the Science Museum one finds examples in almost every department: globes, astrolabes and orreries, instruments used in astronomy and time telling, drawing and calculating, optics, medicine, geology; and "philosophical" instruments, which demonstrate natural phenomena such as lightning or the movement of the planets.

In the last 10 to 15 years scientific instruments have become particularly sought after as collectors' items. There is sufficient interest to justify a dozen auctions a year in London alone. Prices are rising rapidly in some areas, but according to Jeremy Collins, Christie's specialist in scientific instruments, they are still "grossly undervalued."

While it's not everyone who wants a living room adorned with old microscopes and vacuum pumps, many scientific instruments, particularly the ones which pre-date mass production, are exquisite examples of craftsmanship and decorative art. As Darius says: "People don't collect them because they're technology freaks. Many scientific instruments are, I fully believe, as aesthetically pleasing as paintings or sculpture."

David Weston started collecting about 20 years ago, with a ship's binnacle and a sextant. As his taste for earlier, more attractive – and therefore more expensive – instruments developed, he began dealing to finance the collection. He is now one of London's specialist dealers, although he retains the enthusiasm of the private collector and admits that he hates parting with his more interesting "finds," such as a standing universal ring dial.

Early 18th century standing universal ring dial, bearing the arms of the Earl of Portsmouth

This finely-crafted mechanism for telling the time illustrates something of the historical fascination as well as the beauty and scientific interest of these artefacts. Made in the early 18th century by Thomas Heath, it is inscribed with the coat of arms of the Earl of Portsmouth; a pointer of possible significance, since the earl's wife was Sir Isaac Newton's niece and heir to his instruments and papers. Further research may confirm that the instrument was Newton's.

Even without such an exalted pedigree, the universal dial would probably be beyond the price range of many private collectors. But this is not a field which excludes all but the rich. Prices for very rare instruments and the decorative objects like sundials are rising rapidly. Globes start at about £100 and reach £10,000 to £20,000, but this is still a modest sum in comparison with paintings and sculpture of comparable age and quality.

"You can still get into collecting," assures David Weston. "There's a great deal of social history in later instruments, and this is beginning to be appreciated. Opera glasses, kaleidoscopes, early televisions, radios; even the first Sinclair calculators are becoming collectable. Calculators of the 1920s and '30s are still only £30 to £40, and you can find a nicely-made 19th century surveying instrument for about £70."

Neither does a collection require massive amounts of space. In a room the size of a modest sitting room Weston displays a variety of examples from his own collection: a late 17th century celestial globe, wonderfully decorated with mythological figures representing the constellations; a Dutch globe of 1750 with the cities pointed in gold; a kit for slide preparation, a 19th century ivory slide rule, a 1920s calculator, and many others.

What advice would he give to the novice collector? "The first thing to do is to go to the museums," he says. The British collections are among the best in the world. The Science Museum, and the National Maritime Museum at Greenwich are excellent starting points to familiarise yourself with what is available, and what attracts you. "Just looking at the things you like will give you a great deal of useful information."

Visits to the auctions will also give you the opportunity of handling the instruments, examining them, and getting the feel of what is good quality. You will need more specialised knowledge depending on the area which attracts you. If you decide to collect microscopes, for example, you will need to be able to ascertain that everything is in working order.

Fortunately for potential collectors, relatively few instruments are worth forging. An intricate theodolite would cost more to make than it is worth on the market. But there are areas of confusion. Darius cites examples of decorative sundials cast at the beginning of this century from original 17th century moulds, complete with dates. They were not made in order to deceive the buyer, but nearly a century later, confusions can arise. A more experienced eye can often spot suspect details in instruments, such as anachronistic engraving styles or place names, or precise metric measurements which apparently pre-date the introduction of the metric system.

The Scientific Instrument Society publishes a bulletin which contains informative articles, book reviews and notices of events of interest to collectors, as well as advertisements from specialist dealers. The society also holds regular meetings.

■ *The Science Museum, London SW7 2DD. David Weston, 44 Duke Street St James's, London SW1Y 6DD. 071-839 1051. The Scientific Instrument Society, PO Box 15, Pershore, Worcestershire WR10 2RD.*

What makes a classic watch?

Alan Forrest considers the qualities that stand the test of time

THOSE looking for a guide to classic watches could do worse than attend a rather special exhibition to be held in London by Crown jewellers Garrard, opening May 29.

The exhibition is called *The Art of the Master Watchmakers*. A Garrard spokesperson says: "It is an exhibition of the historical and contemporary watch. Most of the leading Swiss watchmakers – Patek Phillipe, Vaucheron and the rest – will be represented, and the Worshipful Company of Clockmakers will be showing a range of 16th century watches."

One of the people to see there will be the famous George Daniels from the Isle of Man, a great watchmaker who will make you a sophisticated, all-purpose, custom-made gold watch for £200,000 – if you can wait for two years.

But what exactly *is* a classic watch? I can recommend a new book shortly to be published in the UK. Michael Balfour, who had some success with his book on Stonehenge – "one of the earliest timepieces, of course" – has written *The Classic Watch*, to be published by the Apple Press at £19.95, and sets out his choices clearly in the introduction to the book.

"What is a classic wristwatch? A wristwatch makes a statement about its wearer . . . With the possible exception of cuff links, signet and wedding rings, watches are the only items of jewellery which many feel comfortable in wearing."

He divides his list of classics into three categories. First, the complicated wrist watches. "Everybody has their own list of complicated classics: The following watches must find their way into such lists. From Patek Philippe, the 18 carat split-second chronograph, the 18 carat moonphase chronograph, the World Time and the moonphase chronograph; the Vacheron & Constantin 18 carat repeater; International Watch Company's Da Vinci; the Astrolabium from Ulysse Nardin; the Audemars Piguet self-winding rectangular; and Longines' Lindberg Aviator."

The second category, according to Balfour, features those with unique designs. In this class he places watches from Jaeger LeCoultre; from Rolex; from Prince (which includes the doctors' watch); others from Movado; Gruen; Cartier, with the Salvador Dali designs; and even Ingersoll's first Mickey Mouse watch, made in 1933.

Mickey Mouse crops up again in the third category because it is included in a list of "firsts" – Waltham's masonic, Cartier's mammoth digital and a whole list of watches which were revolutionary at their time.

Balfour talks about watches without great feeling for value: "You can buy a Ford Sierra, or buy a Rolls Royce." By the Rolls Royce, of course, like most other experts he means a Patek Philipe. However, he also admires the gentlemanly elegance of a Dunhill.

Another valuable source of information is the magazine *International Wrist Watch*. John Innell, its publishing director, has just returned from the Basle Fair after producing the third UK issue of this bi-monthly. Innell talked about the present decline of the quartz watch. "I was talking to one of the leading quartz manufacturers and he said that a lot of five-year-old quartz watches can't be repaired. The growth of the microchip revolution has been so fantastic. To repair some early quartz watches is like trying to recreate the steam engine."

The current issue of *International Wrist Watch* carries a special article on Omega celebrating 80 years of sports timekeeping, a wide range of features covering auctions, the Basle Fair, a look at Audemars Piguet's most famous model and some fascinating watches that keep your score on the golf course for you.

However, all the thunder in the classic watch market was stolen recently by Patek Philippe's Calibre '89, the record price of which is mentioned by William Dullforce in his report from Geneva (page XXII). Calibre '89 is said to be the most complicated watch in the world. It has taken a team of Patek's watchmakers over five years to design and its 1,728 parts four years to make. In 18 carat yellow gold, it is the first astronomical pocket watch to calculate the date of Easter, and it also incorporates a Gregorian calender omitting the indication of the leap year for all centenary years that are not divisible by 400.

Prices pick up at the salerooms

WANDERING around the auction rooms provides plums of information that no ambitious watch collector should be without. With Bonhams' Richard Price I was looking at a couple of Mickey Mouse watches, one pocket and one wrist, both now eminently collectable. The Mickey watches were first made by Ingersoll in the early 1930s through an arrangement with the Walt Disney organisation. They were the first children's watches on the open market.

Pointing to the wrist watch, Price said: "That's the older one because Mickey's tail is at six o'clock. The other is probably from the 1940s because the tail is standing up." When you consider that these watches – which originally sold for less than a dollar – will now fetch several hundreds of pounds you begin to understand the meaning of collectability . . .

Like most people in the auction business, Price deplores the under-pricing of many fine pocket watches, even though there are signs the market is recovering. He produced a 22 caret gold pair-cased quarter repeating watch made by John Gordon of London around 1760. "That will be fetch around £3,500," he said. "And a not very good 1920s Rolex will probably make more. It just doesn't make sense."

In his "other life" Price is an airline pilot, flying Boeing 737s here and there, and touching ground to concentrate on clocks and watches for Bonhams. This gives him a chance to look at the music of time internationally. Talking about tastes, he says: "The English, Italians and Americans are not very technically minded. They'd rather show off a wrist watch. To them, buying something just to put in a showcase at home is meaningless. The wrist watch is a big show of wealth, power and strength. But the Germans and the Swiss are technically minded."

But in spite of all these horological divisions, the auction market is doing pretty well. Tina Millar of Sotheby's hosts "road shows": travelling round the country and abroad, inviting people to bring in their timepieces and get a free valuation. It is very much like the BBC television version, but it is strictly for business.

One couple walked into a UK roadshow with a Patek Philippe platinum moonphase calender wrist watch made in 1935. According to Patek's records it was originally in a tonneau case. It stayed unsold in the Paris branch, was recased in platinum and sold at the end of 1935 for SF1,135. It was sold by Sotheby's in February for £280,000.

Sotheby's two-day sale in London next Thursday and Friday includes a range of women's wrist watches. Much is hoped for as women's watches have not been easy to sell in auction – probably because many were fashion pieces and fashions have changed.

Richard Garnier at Christie's has his own views about what makes a watch collector. "It is difficult to categorise them. We say that people like doctors and dentists and architects go for the technical watches, yet the biggest collector I know of early decorative watches is a dentist."

All is busy at Christie's South Kensington, the company's offshoot in Brompton Road. Roger Lister took over the watches and clocks role there a couple of years ago and now all wrist watches sold at its London auctions are dealt with by South Ken. "We are going from strength to strength," says Lister. "Last year we put on nine sales and made £1.6m."

Alan Forrest

CLOCKS, WATCHES AND JEWELLERY – A WEEKEND FT SPECIAL REPORT

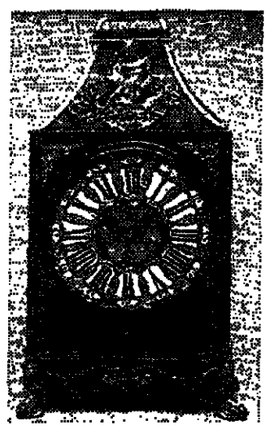
Room for growth in a buyer's market

THERE IS no point in being alarmist – the British antique clock business ticks over quietly. While British pictures, silver and furniture have recently enjoyed (and suffered) great leaps in value, antique clocks remain a quiet backwater, a mystery, both in the sense of being a closed book to most potential buyers, and also a rather exclusive craft.

As Charles Lee of Ronald A. Lee, one of the top dealers, says: "There are two elements to clocks – the movement and the case," which means two hurdles for the potential collector to surmount. To become an expert you need both a taste for gadgetry plus a knowledge of furniture.

Many people would like to own a good antique clock but are baffled by the technicalities. This allows the dealers to dominate the field, although even they can sometimes be caught out by later tampering with the original mechanics.

In addition, long case clocks grew to mammoth proportions and hardly fit comfortably into modern homes. And there is still the legacy of a speculative investment boom in clocks in the late 1970s which left many buyers disillusioned and ensures that there are clocks around which have yet to regain the prices of those halcyon days. As a natural consequence of these problems clocks remain under-appreciated – and cheap.



Régence striking and repeating bracket clock, circa 1720, estimated at £4,000 to £5,000 by Sotheby's

Prices for 18th century and 19th century long case clocks have hardly moved for years. You can still buy at auction a very good walnut long case, made in London by a respected maker, for less than £4,000, while a provincial clock of the period would be nearer £2,000, although their obvious cheapness has led to an increase in prices in the past year of up to 25 per cent. Of course your clock will probably need an expert overhaul which could add up to £500 to the cost (the salerooms will recommend repair specialists), but even so, when compared with furniture or pictures, a good clock is a beautiful, useful and potentially valuable addition to the home.

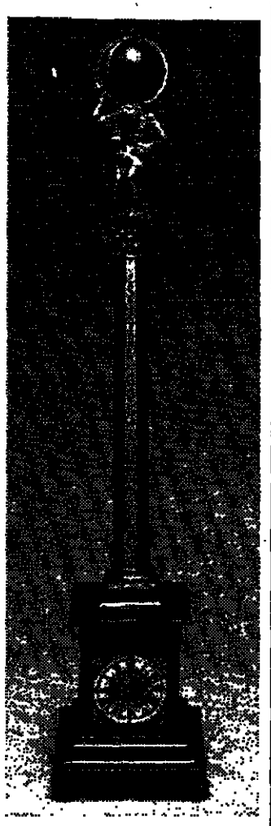
There are now signs that the market is picking up where it matters – at the top end. One maker dominates British clocks – Thomas Tompion, who in the late 17th century masterminded technological improvements inside attractive cases. In addition his workshop was very prolific, producing over 500 clocks, most of them named and numbered. Last summer Christie's held its best clock sale for 20 years and produced a record auction price for a British clock of £880,000, paid by Asprey for an unusual blond wood Tompion.

Since this auction there has been a steady flow of clocks by Tompion on to the market but demand has snapped them up. It is as if that coterie of very rich collectors of antiques, who buy by name rather than through knowledge, has suddenly decided: "I must have a Tompion." Sotheby's disposed of three in February at prices roughly twice its estimates and Christie's has four on offer in its July auction, including a small bracket clock in olive wood which could make well over £300,000. In the 1950s it sold for £4,600 and in the late 1970s for £31,000, which confirms that quality will out.

A yawning gap has opened between Tompion and other craftsmen from the great age of English clock making, roughly from 1680–1720. The trade is waiting, with profitable anticipation, to see what other names will regularly break the £100,000 barrier. A good clock by George Graham would certainly make that mark but he is very rare. Joseph Knibb is equally revered and Sotheby's has a walnut bracket clock by him, estimated modestly at up to £60,000, in its sale next Friday.

A name to watch is David Delander, who is appreciating rapidly and is included in Christie's July auction, while among the makers on Charles Lee's list are Henry Jones, Edward East, Jeremy Gregory and William Clement. Throw in Daniel Quare and Joseph Windmills and you have a strong band of contenders. Unfortunately, some produced only around half a dozen clocks that are known to have survived. Even so clocks by most of these makers can still be acquired for less than a print by Hockney or a Victorian silver centrepiece.

Slowly the dominance of the dealers is weakening. A few years ago they would have acquired 80 per cent of the lots at the regular clock auctions held by Christie's, Sotheby's and Phillips: now it is nearer two thirds, as private buyers grow in confidence. At the top end dealers like Ronald A. Lee and Anthony Woodburn of Leigh, near Tonbridge, probably buy and sell, through their long term clients, clocks as important as any that pass under the hammer. At the bottom dealers buy clocks cheaply, repair them, and pass them on with much-needed guarantees.



Rare ormolu mounted, tortoiseshell column clock and calendar, circa 1670, estimated at £20,000 to £28,000 by Sotheby's

Apart from the Tompions there have been signs of price appreciation among Regency bracket clocks; skeletal clocks of the 1830s; huge late 19th century long case clocks; and mantel clocks of the mid and late 19th century. Buyers can afford to be choosy and there is a preference for the unusual; anything even slightly suspect is ignored. Prices, at least at auction, should be well under £5,000.

The start of a possible recession has not helped the clock market. But at least people like clocks and, ideally, would acquire, over time, a long case clock for the hall, a mantel clock for the living room, and a carriage clock for the bedroom. They are the heart beat of the house and are often the last object to be cashed in (which accounts for the paucity of good clocks on the market).

Collectors like their clocks to be practical as well as beautiful which helps to explain the most over-looked sector of all – clocks of the 16th and early 17th centuries. Sotheby's has a good example next week. It is a gilt metal tabernacle clock with an alarm, made in Augsburg around 1580. It is a charming, tiny (7¼ in high), historical treasure, finely engraved and crafted, curious, attractive, and, incidentally, it works. Yet it is estimated to sell for between £5,000 and £8,000. It obviously looks too much like a potential problem, but for anyone with vision it could be an inspired purchase.

Antony Thorncroft

Swiss fortunes rise again

SWISS watchmaking is enjoying a revival. The number and value of timepieces produced is expanding rapidly and the industry is scaling fresh heights of luxury and mechanical complexity.

It is successfully reviving classic designs of the 1930s at the same time as its quartz-driven plastic watches are entering realms of brash colour and pop art design never before linked with chronometry. Its output ranges from jeweller-crafted, gem-studded marvels, which incidentally keep accurate time, selling at SFr1m (about £420,000) or more, to the Sfr50 (about £21) plastic Swatch, whose price has not varied for the past six years.

This multiplicity testifies to the current vitality of Swiss watchmaking and to its recovery from the sickly years of the 1970s and early '80s, when its artisan-based enterprises were on the verge of being smothered by Japanese manufacturers which had been quicker to exploit the possibilities of electronic timekeeping and the application of mass production methods.

Nevertheless, some prominent figures in the industry have started to warn against complacency. The shortage of skilled craftsmen is becoming increasingly acute. The present age level among watchmakers is relatively high. Employment was cut by more than one third between 1975 and 1983 and young people remember the crash when deciding on their careers. Craft schools are not turning out enough watchmakers, engravers, enamellers and goldsmiths.

Alain-Dominique Perrin, chief executive of Cartier, which is setting up a new watchmaking factory in the Jura, complained recently that Swiss component makers, guilty of late deliveries, were not investing enough. The Japanese could quickly take advantage of any openings to produce for private labels such as Cartier and other fashion houses, he said. Even Swatch retailers complained last year about tardy supplies.

Prestigious watchmakers in Geneva have started to worry about the extremely high prices that their more exclusive products are fetching in auctions only a few months after their original sale – in some instances the price has trebled under the hammer. This is regarded as an unhealthy development, stimulated by speculators rather than by genuine collectors.

Criticism can also be heard about the prices being charged for some so-called luxury wrist watches, whose cases enclose cheap time-keeping parts bought from mass suppliers such as ETA, the movement manufacturing unit of SMH, the biggest Swiss group. Inflated pricing could be blowing the business to bubble-breaking point, some watchmakers fear.

However, scaremongering is muted and outweighed in most insiders' assessment of the short-term future by one remarkable new asset: the development over the past few years of promotion and marketing skills that the Swiss never possessed before. SMH's colourful, constantly renewed, costly but successful campaigns for the Swatch have led the trend.

The top and bottom of the Swiss market: top, Patek Philippe's astronomical masterpiece, Calibre 89, the most complicated watch made. Below, one model from the Swatch range – more than 65m have been sold

For the time being at least Swiss watchmaking is riding on top of an extraordinary three-year surge in sales and earnings. Its current supremacy was in good evidence at last month's European Watchmaking and Jewellery Fair in Basle, the biggest annual event worldwide for the trade.

Swiss watchmakers' stands, admittedly on home ground, covered 10,812 square metres of space compared with the 3,665 square metres occupied by the Germans, the second largest in number.

One of the most striking indications of regained Swiss confidence on display was Patek Philippe's astronomical masterpiece, Calibre 89. The most complicated watch ever made, weighing just over a kilogramme, it performs 33 horological functions, including showing the date for Easter for the next 29 years. The first model, cased in yellow gold, was sold at auction in Geneva last year for SFr4.5m (£1.9m); the second, in rose gold, shown in Basle is priced at SFr6.75m (£2.8m).

A couple of figures illustrate the Swiss grip on the expensive, high-quality end of the watch market. Of the estimated 684m watches and movements sold worldwide last year only 13 per cent were made by Swiss, compared with 42 per cent of Japanese origin. But in value the Swiss timepieces accounted for 43 per cent of world trade, put at more than SFr13bn.

Last year Swiss watch exports grew by almost 20 per cent to more than SFr6bn. The most remarkable advance was made in the enemy's camp; the value of exports to Japan climbed by 69.5 per cent to SFr443m. Corum, known for its ultra-thin watches and the conversion of US gold coins into timepieces, has been particularly successful on the Japanese market, where it sells 35 per cent of its output.

Corum makes its watches at La Chaux-de-Fonds, one of several townships in the Jura hills which have been revitalised by the renaissance in Swiss mechanical watchmaking. It is said that about 600 houses have been repainted in La Chaux-de-Fonds over the last couple of years.

Other watchmaking towns which have benefited from the boom are Le Brassus in the Vallée de Joux, where Blancpain, a 250-year-old brand name under new ownership, has multiplied its sales by seven in six years with a promotion campaign promising that it will never, but *never*, make a quartz watch; and Saint-Imier, where Cartier plans to open its new factory in 1991.

Corum and Cartier, each in its own way, illustrate the the remarkable mutations in marketing over the past decade, during which the watch has developed from a timekeeper into an object of fashion and promotion has become as important as manufacturing.

The Swiss have discovered the value of sponsoring. Corum concentrates on yachting, golf and thoroughbred horses. It sponsors the Classic Yacht Regatta at Newport, US and is among the sponsors of the Admiral's Cup in the UK. In the last Admiral's Cup race all the members of the Japanese crew and their wives wore Corum watches.

Still, the most astonishing emblem of the comeback of Swiss watchmaking and of its new, creative marketing skills is found at the other end of the price spectrum in the Swatch. This plastic watch, which has been produced in more than 450 different models, costs less than SFr8 to make and sells at an – almost – unvarying SFr50. In seven years more than 65m have been sold.

Already some have become collectors' items. At an auction in Zurich last December a set of four, specially designed by Keith Haring, the US graffiti artist, in 1986 were knocked down for SFr9,400. Produced in a limited edition of 9,999 for the US, their original price had been $35 each. Swatch is launching an international collectors' club at the end of June, initially in West Germany and Switzerland but with plans to introduce it on other markets over the following 18 months.

William Dullforce

Lucia van der Post reports on today's jewellery trends and reflects on the appeal of pieces past

Practical chic: new sparkle for the '90s

WHILE MOST of the UK's retail sector currently is looking very sickly, the jewellery business seems to go from strength to strength. In these egalitarian days, when there seems a dearth of kings and queens to initiate the grand engagements and weddings, the coronations and star-spangled balls that used to require a fine matching set with which to glitter the night away, one might have feared for the well-being of the grand jewellers. Worry not. From the Place Vendome to Bond Street, the word is that the best are flourishing – although, true, times have changed and the fleet of foot are well aware that they must adapt with them.

The finest jewellers today seem a little like the grand couturiers. They are there to set standards, to display to the world what the finest and the best is all about. The *haut joualleris* ranges are there so that those who have sold off a junk-bond company or two, who have a throne that needs adorning or a new kingdom to celebrate, can buy some splendid jewels to match the occasion. But they are also there to be the flagship that brings in its wake the smaller, less flamboyant sales that are what really keeps the business flourishing – just as almost every couture house in Paris loses money on its haute couture but needs to keep it going it if is to sell the scarves, the perfumes, the ready-to-wear that trail in the clouds of glory gathered from the prestige and distinction of the haute couture.

Most of the grand houses have realised that the top of the pyramid is narrow and that those who can afford the finest pieces and the highest prices are few – to survive into the '90s and beyond they have to appeal to a broader market. In other words, they need to look beyond the seriously rich to the merely well-heeled . . .

Many of them started by diversifying in almost the same way as the couturiers – that is, they have produced ranges of watches, of perfumes, of scarves, pens, wallets and all the other fol-de-rols.

But they have also realised that if they can catch the potential customer young, if they can lure him (and very often, these days, her) in with a beguiling little collection at around the £500 mark, then when there really is something big to celebrate, the token of affection, love, or respect may well be bought there, too.

So, go into Cartier or Boucheron, into Garrards or Mappin & Webb, and while you will certainly find a few eye-catching stunners in the windows and in the show cases, lying beside them will be plenty of more wearable, everyday pieces that you don't need a kingdom to afford.

Grand balls may be thin on the ground but every working woman these days wears jewellery. She may have started off wearing costume jewellery, but chances are she has got tired of pieces that fall apart, and of paying increasingly high prices for materials of no intrinsic value. The go-getting '80s brought a highly developed instinct for investment and value to the whole consumer world, and what the high-earning professional woman seems to want these days are pieces of quality, made of inherently durable and valuable materials, but pieces that *fit* into her life.

The jeweller that can provide her with a simple, classic collection that brings a little sparkle to her ears, brightens up a dark working suit, or looks good worn to a board meeting in the morning as well as to dinner at night, is on to a winner. Her way of life is completely different from that of the leisured, affluent woman of the turn of the century. Night-long balls and sumptuous banquets do not figure much in her diary. Her life-style tends to be busy, high-pressured but informal. Glittering sets of jewels to stun a maharajah would only push her insurance payments up. No, what she needs are versatile, practical but quietly glamorous pieces.

Though the grand jewellers have already tried to lure this new young customer, many of the independent designers – like Jane Allen, Leo de Vroomen, David Morris, Kiki McDonough – have produced very versatile pieces that can be worn from dawn to dusk.

Kiki McDonough, for example, has produced a pearl stud that can be added to detachable drops in haematite, cornelian, green agate or amethyst, giving a completely different look and colour to the ear-rings. Boucheron has a range called Multiples, based on very simple, classic shapes, which allows the wearer to change the look and colour of the piece by adding and subtracting inserts in lapis lazuli, coral, silver, gold, onyx, tiger's eye, leopardwood and the like.

Ingenuity and versatility mean that a few pieces can work hard for their money and don't cost a fortune. Bulgari, the internationally sought-after Roman jeweller much beloved of the jet-set, has also introduced what it calls its "affordable" range which in financial terms seems to me anything under £5,000. However, for something like £1,000 you could buy a ring or a pair of ear-rings with the distinctive Bulgari look and for £3,000 you could buy a necklace or bracelet.

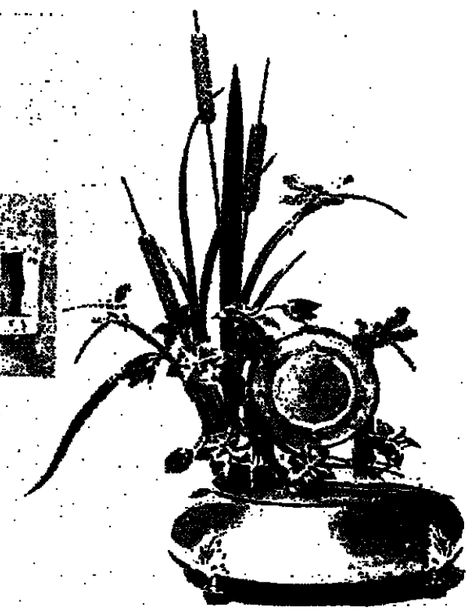
Affordable and classic may sound a little severe, as if it lacks that other important function of jewellery – fun. But it needn't. David Morris, for example, has recently scored a huge success among his younger customers with his range of little animal brooches. Of course, it did him no harm that the Duchess of York was recently seen to be wearing one of his Teddy Bears on her designer-label lapel, but nonetheless at something like £5,000 each they are much, much more than a throwaway joke. Beautifully made, embellished with diamonds, they seem to have become something of a cult with the affluent younger generation.

Of the newer jewellers Theo Fennell, who has only been in business about six years, has already captured a large and fashionable set of customers. At his Fulham Road, London, shop or the branch in Harrods those looking for a present that doesn't break the bank could find a pair of gold cufflinks for from £225 a pair or, for her, a ring starting at £75 (three-gold Russian) or a good selection of ear-rings and brooches at under £1,000.

Garrard has recently introduced what it calls a "younger" range – One One Two – which has plain gold rings starting for as little as £250 a time. At Cartier, where the Les Must Range has long been aimed at the younger, less affluent customer, they believe deeply that they need a broader base of customer. To this end they will be opening a new store in Sloane Street later in the year which they believe is now the street for the younger, highly fashion-orientated woman. There there will always be a good range of pieces at between £500 and £5,000.

Though there will always be a market for the truly magnificent pieces – for one-offs like Kutchinsky's extraordinary Bullrush Mystery clock (in 18 carat gold and silver with a floral and bullrush arrangement at the side, £265,000 should you feel you really must have it) – from now on most of the jewellers have realised that to greet the 1990s they need to address the tastes and purses of the ever-growing ranks of the affluent but not the truly rich. It's going to be interesting to see what they come up with.

The old: diamond and emerald strap bracelet, made around 1925 and estimated by Phillips at £50,000 to £70,000



The new: extraordinary Bullrush Mystery clock in 18 carat gold and silver with a floral and bullrush arrangement at the side, £265,000 from Kutchinsky's, 73 Brompton Road, London SW3

In search of golden oldies

COLLECTING antique jewellery is not for everybody. You need to invest time, emotion and energy into the whole exercise if it is really to be rewarding.

However, according to Mary Fielden, Christie's expert on antique jewellery, once a customer becomes interested in antique jewellery, they tend to be hooked.

The charms of antique jewellery are quieter and more subtle than the glittery come-on of the modern up-market jewellers. It leads people into interesting byways of knowledge, and often those who start off knowing very little about the subject go on to develop a keen interest and tastes of their own.

Interest in antique jewellery has always been strong, for many reasons. When you buy a piece that was made many years ago you are paying for its antiquity but not for the labour – which has long since been forgotten and amortised over countless transactions. The finest of fine antique jewellery couldn't be repeated today at comparable prices – as with the finest clothes and furniture, few craftsmen make to those standards or put in those kind of hours any more.

But the real charm of antique-hunting is that you never know quite what you are going to find. Someday, somewhere you just might come upon an undiscovered beauty, a piece that only YOU have the eye, wit and taste to appreciate. It's unlikely, but you never know . . . therein lies much of the fun of the chase.

Most antique dealers say that the things that are holding up best and selling well are the very finest pieces, the things with a "name."

One dealer in London's Conduit Street, N. Bloom, reports that items over £5,000 and £10,000 will sell better than the cheaper items. He also reports a huge interest in Imperial Russian pieces and in the best of the turn of the century and Art Nouveau.

People, he finds, would rather pay more and have the best and they like the security of a signed piece: Van Cleef, Cartier, Boucheron et al. Most of his customers are looking for something with personality and distinction – nothing too small, discreet or anonymous.

For those wanting to start collecting antique jewellery, Mary Fielden says a good place to start is in one of the smaller, less grand salerooms, such as Christie's South Kensington or one of the provincial salerooms.

Read the catalogues. Go to the previews and get to know the resident expert. Ask if a particular piece seems good value, is a good example of its kind and what kind of price it is sensible to offer. That's what the experts are there for, and none of them should mind. Once you get to know your own tastes and the work of different designers, then you will be able to judge for yourself just what a piece should be worth.

Current favourites are still the revivalist-style pieces by Giuliano and Castellani, but they have now been so sought-after for so long that you will not get away with paying anything less than the market price. This is not helped by the fact that the Japanese are particularly attracted by these two designers and so prices have been pushed even higher.

The Japanese are a new market to most of the auction houses and once they enter a market they tend to do it in a serious way.

Their other interest at the moment seems to centre on Holbeinesque pieces and they are much attracted by coloured stone jewellery. Small investors looking for pieces to buy personally would be wise to direct their tastes in other directions!

Not easy to find but also sought-after and likely to be a good long-term investment are pieces by Robert Phillips and John Brogden, who were English designers working at much the same time as Castelland and Giuliano. They, too, were working in revivalist mode and most of their pieces have Etruscan or Greek and Roman influences.

Good signed pieces are always popular and the grand names, like Boucheron and Cartier, Lalique and Fabergé, normally command huge sums at auction. But Michael Hall of Bonhams reports that there is rather more Fabergé about than usual at this moment, and you could find a small, simple silver egg for as little as £300. A rather more elaborate and finely-made one in good condition would fetch about £1,200.

However, those with under £1,000 to spend could still find plenty of antique jewellery that they could wear with much pleasure – for example a little bar brooch, some nice Etruscan-style ear-rings or a cluster ring.

Anybody who has had a windfall of £5,000 or so is spoiled for choice. They will be able to look at pieces that are not only well-made but also made of intrinsically more precious materials, possibly featuring precious stones. Regency jewellery, rich, glowing, naturalistic, is another period well worth looking at.

Edwardian Deco is still very popular and is still appreciating in value. You could probably still find at auction an attractive diamond cluster ring for about £500, though something like a splendid Edwardian sautoir (a long necklace) would probably cost anything between £20,00 and £30,000.

A really important Art Deco piece – such as the circa 1930 diamond and emerald bracelet coming up in Bonhams' May 15 sale – is likely to fetch anything between £50,000 and £70,000.

But all the auction houses regularly hold jewellery sales – Sotheby's as well as Christie's, Bonhams as well as Phillips – so those wanting to embark on the adventure of buying antique jewellery for themselves could start by sending off for their catalogues and getting to know some of the experts and what prices pieces normally attract. Alternatively there are lots of dealers – in London people like N. Bloom, Richard Ogden, Nigel Milne, Boodle & Dunthorne – who love jewellery and are only too anxious to help the novice buyer learn and develop their own taste.

L. v. d. P

SPORT

Welsh captain Robert Jones takes the ball forward - but Wales went backward during the season

Clouds on the horizon

***John Kitching** looks back on this season's rugby*

A YEAR is a long time in rugby football: long enough for the International Board to have again fudged the professionalism issue; for the Home Unions to have failed adequately to tackle the problem of violence; for the game in Wales to have plumbed new depths, and for the best England side for at least 10 years to have had the Grand Slam snatched from their grasp.

There are other clouds on the horizon. The County Championship, which meant so much in areas such as the north and south west of England, looks to be on its last legs, and the great Barbarian club, which once held the equivalent of international status, is finding trouble attracting top players.

The club game is now paramount, thanks largely to the highly successful Courage Leagues in England, the McEwans Leagues in Scotland and the advent (long overdue) of a similar structure in Wales. On the heels of the leagues are the club cup competitions, and today is Pilkington Cup Final day in England – where Gloucester take on Bath – and Schweppes Cup Final day in Wales where Neath meet Bridgend.

The trouble with a success of club as opposed to representative rugby, is that its focus is too narrow. Unless you come from south west England it is difficult to get excited about today's potentially dour events at Twickenham where Gloucester will still be smarting from last week's League championship reverse. Indeed, the neutral observer might feel more drawn to the Neath-Bridgend match at Cardiff.

Rugby's administrators, never ones for decisiveness, need next season to ensure that the top club players are not asked to play too much rugby. That has long been the case in Wales, where more than 50 club matches a season are not uncommon, and it has taken its toll.

They need also to settle, once for all, the debate about paying leading players. So much is now demanded of a player that there can be no alternative to direct payment – which goes on anyway. Such a move would help to retain many fine players, especially in Wales.

Rugby's law-makers need also to tackle firmly (and not rely on the likes of referee Fred Howard) the problem of violence on the pitch. Howard has set an example this season to all perpetrators of foul play: they must be sent immediately from the field, and even more important, they must be banned for long periods, if not for ever, by the administrators.

There has been much that is unsatisfactory in the last year. But there have been many good and surprising aspects, both joyful and sad.

The season began with Fiji's visit to Scotland and England. What should have been enjoyable occasions turned sour. Fiji's display of petulance and misdirected aggression against England was most upsetting. But, in the midst of this idiocy, we saw some superb running from England's centre Jeremy Guscott, who became the threequarter of the season. He has been the target of several League clubs, and if he is not directly rewarded for his Rugby Union services, he may soon be lost to the game. Western Samoa also made a brief tour and looked to be a considerable force. Trouble is, they keep losing their best players to New Zealand.

In November the mighty All Blacks visited Ireland and Wales, and showed that although many of their names were unfamiliar, their skills were not. Wales, you might have expected, would have learned from their visit. But when it came to the Five nations Championship, they showed that they had not.

An excellent England team could and should have carried all before them, but they fell in the end to a Scotland side which did a superb job by closing them down. David Sole, perhaps the outstanding Five Nations forwards of the year, led the Scots with a steely determination. It was perhaps simply that they wanted the Grand Slam even more than England, whose sheer class is not in doubt. Rob Andrew at last confirmed himself as the best fly half in the northern hemisphere and Brian Moore, the irrepressible and inspirational hooker, became a forward of world class.

There was little comfort for either Wales or Ireland. For Wales the season was a disaster. For Ireland, where rugby is only third or fourth after such sports as hurling and Gaelic football, the situation was, as someone said, desperate, but not serious.

Robert Jones, the best scrum half in the world, led Wales to their first championship whitewash. He said afterwards, among other things, that he was bitterly disappointed. An understatement, if ever there was.

The end of the season, as so often, has been tinged with sadness. Two great servants of the game, both half backs, are retiring. Floyd Steadman, who several years ago I watched regularly at scrum half for Saracens, is bowing out after 10 years in the first-class game. He never got an international cap, but he did become as Barbarian. He was a fine player and a great sport.

The other man got 12 international caps, but should have had a bucket-load more. Les Cusworth, that bald wizard of a Leicester fly half, has finally retired. I am proud that I once played against him, about 20 years ago, when he still had hair. If I had a memory I am sure that I would be able to tell you that, even as a Yorkshire schoolboy, he had class written all over him. It is one of the many scandals of modern rugby that he received such scant recognition. Welford Road, Leicester, will be a little less magical without him.

And so to next season, to the delicious prospect of the Underwood brothers occupying both England wing positions as their side finally wins the Grand Slam, to the demise of Jacques Fouroux and the re-emergence of French rugby from the heavyweight wilderness, and to the restoration of at least some Welsh pride. Next year Britain stages the second World Cup and we shall discover then whether southern hemisphere domination is still a fact of rugby life. Training starts 7 pm. July 24: See you there.

It looks all over barring shipwreck

***Keith Wheatley** hails Steinlager, the Kiwi yacht*

SENTIMENT IS an enormous part of sport's appeal. In sport, underdog Jack can break free with one bound and win the tournament with an electrifying putt, the match with a last-minute goal or the race with a defiant tactical gamble.

Lawrie Smith's gambles have been so successful throughout his sailing career that they have drifted almost from defiance to seeming the norm. Yet even Smith, skipper of the British yacht Rothmans, has admitted that winning the Whitbread round the world race is now beyond his boat's capacities.

As so often happens, the bleak statistical view of the bookmakers washed away the sentiment. "We closed our book on the Whitbread on October 27 last year. Steinlager was so far ahead, it had become a non-competitive race in our view," said Ladbroke's spokesman, Graham Stuart-Reid.

They were right. The big, red New Zealand ketch, skippered by archetypal Kiwi Peter Blake, has been first into every one of the five ports so far visited by the fleet. Today, the 22 yachts leave Fort Lauderdale in western Florida for the sixth and final leg back to Southampton.

Steinlager has a cushion over her rivals of nearly two days. All Blake needs to do is sail the 3,837 miles separating him from the Solent in a mode of cautious haste. He has the fastest boat in the fleet. Providing the mast doesn't come down or the crew succumb to scurvy, the Whitbread trophy is in the bag. Fisher & Paykel, the other Kiwi ketch, should come second.

The real knock-down fight will be for third place between Rothmans and Merit, skippered by Swiss helmsman Pierre Fehlmann (winner of the 1985-6 race). After 30,000 miles of racing, Merit is just eight hours ahead of the British. Much of the time, the two have raced within sight of one another. After 7,000 miles from South America to Western Australia, Rothmans beat Merit into Fremantle by 28 seconds.

"The two boats are so equal that it could all come down to the tides in the Channel," commented Smith "If we get the right side of a tidal gate at Portland Bill and Fehlmann's stuck, that could settle it." The leading boats are expected into Southampton around May 17-19.

Possibly the loudest cheers will, however, be reserved for Tracy Edwards and her all-woman crew aboard Maiden. It seems extraordinary that only two years ago the bulk of the sailing establishment doubted that women were capable of competing in the Whitbread.

At present they are second in the small-boat class, 41 hours behind the French yacht Esprit de Liberte. Yet, on several legs Edwards has led the class, notably into Fremantle. If it had not been for Maiden's acknowledged light-air deficiencies, the calms off the Brazilian coast would not have affected this happy band so adversely. Before the final dash for home, Maiden is being lightened in every possible way. "The girls are not happy at being in second place. We are taking just freeze-dried food without the usual two-day safety margin," admitted Edwards. "If we don't do it in 18 days, we will go hungry."

> *'The real fight in the Whitbread race will be for third place'*

Weight is one of the big issues among the Whitbread competitors, sponsors and organisers at present. With this race nearly over, thoughts are very much focused on the next event in four years' time. Given the huge volume of media and public interest in this event, no one doubts that the '94 Whitbread will be bigger and better.

The question exercising most minds is "What kind of boats are we going to race in?" The present fleet is designed to the International Offshore Rule. This lays down design parameters which have given close racing but at the expense of producing 80ft boats which are up to 50 per cent heavier than they need be.

"It isn't natural somehow for a boat carrying an internal lead mine to be pressed at up to 30 knots in the Southern Ocean. If they hit anything at even half that speed, they would almost certainly sink," said Rob Humphreys, designer of Rothmans. This yacht, like her sister ships, carries nearly 10 tons of entirely pointless ballast under the floorboards.

No-one interested in competitive long-distance sailing has failed to notice that, in the recently completed Globe race, Titouan Lamazou, of France, sailed around the world single-handed in a 60-footer of unrestricted design at an average speed of 9.48 knots. It makes the 9.9 knots achieved by the 17 highly-trained crew aboard the much bigger Steinlager look a little feeble.

No fault attaches to individuals; it is inherent in the designs. The IOR produces boats most suitable for short inshore racing with a good deal of up-wind sailing. These shapes do not lend themselves to surfing down 40ft waves in the Southern Ocean. The modern 60ft yachts for the Globe and BOC races are light, mainly because they are water-ballasted.

When the skipper needs to counter-balance the heel of his yacht, he pumps water into tanks on the windward side. Otherwise, the boat is kept light.

Whitbread organisers have already said that there will be a 60ft non-IOR class in the next race. They have, however, also stipulated that there will continue to be a "flagship" class for IOR maxis. Whitbread claims that this is to protect the financial interests of owners and sponsors who have made considerable investments in these boats. This is delusion.

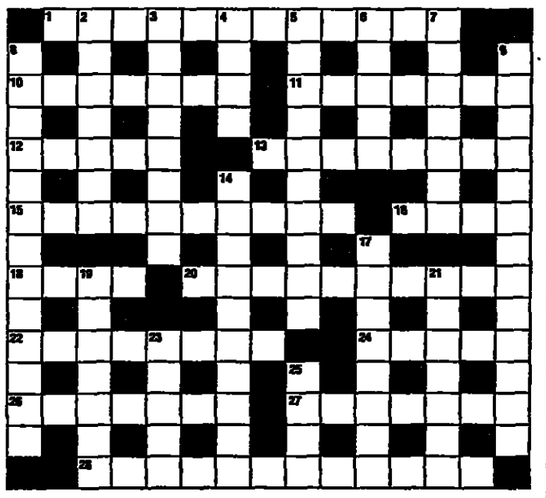
Even Steinlager – about to be sold to Italian financier Giorgio Falck for enough lire to buy a nice little farm on the South Island – is worthless in the context of the 1994 race. "Hot" skippers and sponsors will always build new – in chocolate, to Martian rules – if that is what it takes to win.

They want a high-tech, state-of-the-art 80-footer for the next race and they deserve it. Arguments about protecting investments in lead mines should count for nothing.

CROSSWORD

No. 7,231 Set by DINMUTZ

Prizes of £10 each for the first five correct solutions opened. Solutions to be received by Wednesday May 16, marked Crossword 7,231 on the envelope, to the Financial Times, Number One Southwark Bridge, London SE1 9HL. Solution on Saturday May 19.



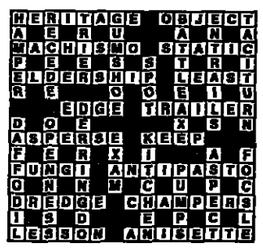
ACROSS

1 But was The Magnet printed on it? (7-5)
10 He takes stock of others (7)
11 Complex girl to put painter in office (7)
12 Young man in a small branch (5)
13 Tied to a line – that is the limit! (8)
15 Muscular condition hurts me – aim revised (10)
16 Funds taken from chapel funds (4)
18 Two-master prison? (4)
20 Bad-tempered person in bridge plot (10)
22 Nous avons faim? Somehow, that's wicked (8)
24 Mimic, in the fifties, had stuff turned back (5)
26 Olympic finalists on sort of green blanket (7)
27 Cricket-side play for space in saloon, say (3-4)
28 Clipper could be sharp – see here! (5-7)

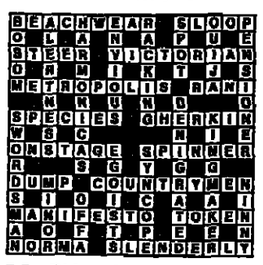
DOWN

2 Jungle book? (7)
3 Women entirely willing in sport at Eton (4,4)
4 A run in New York is not one in the country (4)
5 Bias of journalists about body of policemen? (10)
6 Pair even contracted to spruce up (5)
7 Go over lines of English hauller, reversing (7)
8 Impressions often made in church? (5-8)
9 Nightingale, to fly, had ample constitution (4,2,3,4)
14 Tot up? (7-3)
17 A game soldier with a written defence (8)
19 Fist Ann makes are little ones (7)
21 Work in new hotel is first-class (7)
23 Mingle, just about midnight (5)
25 Half put up in Germany, brings some silly talk (4)

Solution to Puzzle No.7,230



Solution and winners of Puzzle No.7,219



I.J. Bidgood, Chorleywood, Herts; John Gardner, Ewell, Surrey; K.A. Jones, Narberth, Pembrokeshire; Richard and Elizabeth Kent, Altea, Alicante, Spain; M. O'Connell, St Ives, Cambridgeshire.

TELEVISION & RADIO

SATURDAY

[redacted] indicates programme in black and white

BBC1

7:30 am Playdays. 7:50 The Muppet Babies. 8:15 The 5.15 from Manchester. 11:50 Film: "Dusty" starring Bill Kerr. 12:25 pm Weather.

12:30 Grandstand featuring 12:35 Football (look ahead to this year's World Cup); 1:00 News; 1:05 Horse Trials (cross country section of the Whitbread Championships at Badminton); 1:30 Racing from Haydock Park; 1:40 Horse Trials; 2:30 Racing from Haydock Park; 2:10 Horse Trials; 2:30 Racing from Haydock Park; 3:40 Golf (Benson and Hedges International Open at St Mellion, Cornwall); 3:35 Rugby Union (Gloucester v Bath for the Pilkington Cup at Twickenham); 4:35 Final Score.

5:05 News. 5:15 Regional news and sport. 5:20 Cartoon. 5:30 The Flying Doctors. 6:15 Film: "Meteor" starring Sean Connery, Natalie Wood and Karl Malden. 8:00 Eurovision Song Contest 90. 10:05 News and Sport. 11:35 Paramount City. 11:45 Film: "The Awakening" starring Charlton Heston, Susannah York and Stephanie Zimbalist.

BBC2

2:45 pm Mainshunt. 3:25 Film: "Meet Me at the Fair" starring Dan Dailey. 4:55 Golf (second-round action from the Benson and Hedges International Open). 5:25 Badminton Horse Trial. 6:15 Gymnastics: The Women's European Championships at Athens. 7:30 Newsview.

8:15 Film: "Death of a Salesman" starring Dustin Hoffman. 10:45 Saturday Night Clyde. 11:05 The Salesman Goes to China. 12:10-1:30 am Film: "Success" starring Jeff Bridges and Belinda Bauer.

LONDON

6:00 am TV-am Breakfast Programme. 9:25 Children's ITV: Ghost Train. 11:30 The ITV Chart Show. 12:30 pm Huddleberry Finn and His Friends. 1:00 ITN News, followed by national weather. 1:05 Local news and weather. 1:10 Sale & Grenayle. 1:40 Sportsmasters. 2:10 Coronation Street. 3:05 Mallock. 4:05 Katts and Dog. 4:35 07/061 For London. 4:45 Results Service.

5:50 ITN News, followed by national weather. 6:05 Local news and weather. 6:15 Steel. 6:45 Saywatch. 6:45 Dawn. 7:10 The Two of Us, followed by 07/061 For London.

7:40 Murder, Mystery, Suspense: "Lady Ice" starring Donald Sutherland. 9:35 07/061 For London. 9:35 ITN News and sport, followed by national weather. 9:45 Local weather. 9:50 Angel & Company. 10:25 Lenon. 11:50 Live From Telecom Tower. 12:30 am Golf: PGA Tour 1990.

CHANNEL 4

7:30 am International News. 8:05 Transworld Sport. 9:00 Channel 4 Racing: The Morning Line. 9:25 Sing and Swing. 9:30 Listening Eye. 10:00 Indian Screen: "Amanush". 12:30 pm Sidewalks.

11:00 "At War with the Army" starring Jerry Lewis and Dean Martin. 2:45 Channel Four Racing from Newmarket. 5:55 Brookside Omnibus. 6:00 Right to Reply. 6:30 Gallery. 7:00 The World This Week. 8:00 Adventures: Right Up the Zipper! 9:00 thirtysomething. 10:00 Film on Four International: "Masques". 11:50 Lennon (The first half is on ITV). 11:55 am The Mysteries of Edgar Wallace.

S4C WALES

As Channel 4 except:

10:00 am Wallis Tallis. 10:30 Consuming Passions. 11:00 Gardener's Calendar. 11:30 The Beer Hunter. 12:00 The Speedo Fast Water Meet. 12:30 pm Hard News. 11:00 Film: "Secret People".

2:45 Cwpan Schweppes. 4:40 Racing from Newmarket. 5:30 The Wonder Years. 7:30 Hot Pots. 7:30 Newyddion. 7:40 Noson Lawen. 8:40 Y Maes Chwarae. 9:30 Cynhadledd Flynyddol TUC Cymru. 9:40 Film on Four: "On the Black Hill".

HTV Regions as London except at the following times:-

ANGLIA

3:05 pm The Valient Years: "Attack on the Iron Coast". 7:40 "Letting Go" starring John Ritter and Sharon Gless. 12:20 am "Fantasy Man".

CENTRAL

12:50 pm Hot Water. 3:05 Theatre of War: "Attack on the Iron Coast" starring Lloyd Bridges, Andrew Keir and Mark Eden. 7:40 "Letting Go" starring John Ritter and Sharon Gless. 11:50 Starring Jack Palance: "Hawk the Slayer".

CHANNEL

12:50 pm Rallycross. 1:05 Diary Dates. 3:05 The Classic War Movie: "Attack on the Iron Coast". 5:10 Classic Themes. 7:40 C.A.T. Squad - Python Wolf. 12:30 am "The Stack".

GRAMPIAN

12:50 pm An Feasch. 3:05 Theatre of War: "Two Thousand Women" starring Phyllis Calvert, Flora Robson, Patricia Roc, Anne Crawford, James McKechnie and Robert Arden. 5:10 Criomagan (Gaelic news). 7:40 Feature Film: "Letting Go" starring John Ritter, Sharon Gless and Joe Cortese. 11:35 Star Movie: Paul Newman in "Slap Shot".

GRANADA

2:10 pm Film: "Dark Victory". 7:40 "Letting Go". 11:30 Star Movie: Paul Newman in "Slap Shot".

HTV

3:05 pm Film: "The Command" starring Guy Madison, Joan Weldon and James Whitmore. 7:40 "Letting Go" starring John Ritter, Sharon Gless and Max Gail. 12:20 am Throb.

SCOTTISH

12:50 pm NS. 3:05 The Theatre of War: "Attack on the Iron Coast" starring Lloyd Bridges, Sue Lloyd and Mark Eden. 5:10 Scotland Today. 5:45 Katts and Dog. 6:15 The Campbells. 7:40 Film: "Letting Go" (TV Movie). 11:30 Beauty and the Beast. 12:40 am The Saturday Drive-in: "The World of Suzie Wong" starring William Holden and Nancy Kwan.

TSW

12:50 pm The South West Week. 1:40 Katts and Dog. 3:05 Film: "Guns of the Timberland" starring Alan Ladd and Jeanne Crain. 5:05 Newsport. 5:10 Gus Honeybun's Magic Birthdays. 7:40 Film: "Letting Go". 11:30 Film: Paul Newman in "Slap Shot"

TVS

12:50 pm Rallycross (The Mokapds Classic). 3:05 The Classic War Movie: "Attack on the Iron Coast" starring Lloyd Bridges and Andrew Keir. 7:40 "Letting Go" starring John Ritter and Sharon Gless. 12:30 am X-Rated: "The Stack" starring Joan Collins.

TYNE TEES

2:10 pm Film: "Roller Boogie" starring Linda Blair, Jim Bray and Roger Perry. 4:20 Cartoon. 4:15 Who's the Boss? 5:05 Northern Life Saturday Special. 7:40 "Letting Go" starring John Ritter, Sharon Gless, Max Gail and Joe Cortese. 11:35 Soccer Special.

ULSTER

12:30 pm The Munsters Today. 2:10 Film: "Cactus Jack" starring Kirk Douglas and Ann-Margret. 3:00 The Life and Times of Grizzly Adams. 7:40 "Letting Go" starring John Ritter, Sharon Gless and Max Gail. 11:35 Slap Shot" starring Paul Newman.

YORKSHIRE

3:05 pm The Theatre of War: "Attack on the Iron Coast" starring Lloyd Bridges, Andrew Keir, Sue Lloyd, Mark Eden and Maurice Denham. 7:40 Letting Go". 12:30 am ITN News headlines followed by "Empire of the Ants" starring Joan Collins.

RADIO

(S) Stereo on FM

BBC RADIO 2

5:00 am Ronnie Hilton with Sounds of the 50s. 6:00 Brian Matthew with Sounds of the 60s. 10:00 Maureen Lipman. 12:00 Gerald Harper. 1:30 pm The News Huddlines. 2:00 Robin Ray on Record. 3:00 Martin Kelner. 4:00 Nicholas Martin at the console of the Wurlitzer, Turner's Musical Merry-go-Round, Northampton. 5:00 Cinema 2. 6:00 Pop Boors. 8:00 Richard Clayderman in Concert.

7:00 String Sound. 7:30 30 Years of Eurovision. 8:30 Eurovision Song Contest from the Vatroslav Lisinski Centre, Zagreb, Yugoslavia. 11:30 Music to Midnight. 12:05 am Stars of the 60s: Justin Hayward. 1:00-2:00 Music.

Medium Wave as above except:-
1:30-5:00 am. Sport on 2 including Football, Rugby Union, Golf and Racing.

BBC RADIO 3

7:00 am Morning Concert. 8:00 News. 8:05 Boomerang Shrinkets with Warren Bowtany (flute) and Susan Jones (harp): Mozart (Flute and Harp Concerto, K299), Stravinsky (Pulcinella). 9:00 Saturday Review.

10:40-5:00 am Berlin Weekend: Day One of Radio 3's weekend of programmes broadcast from Berlin, beginning with 10:40 Welcome to Berlin. 11:00 Klassik Nach Zwolf. Radio 3 joins Sender Freies Berlin for a Berlin Radio Symphony Orchestra concert: Rolesinger (Clarinet Concerto), Schubert orch Liszt (Wanderer Fantasy), Blacher (Paganini Variations). 12:00 Signposts and Souvenirs: A City in Transit.

1:00 pm A Commissioned Conductor. Richard Osborne presents Karajan recordings with the Berlin Philharmonic of music by Mozart (Symphony No 35), Wagner (Die Walkure, Act 1 Sc 3), Schumann (Symphony No 2) and Respighi (The Pines of Rome). 3:00 A Nation Reborn? 3:15 A Heritage Divided. Michael Oliver explores Berlin's musical archives. 5:15 Christoph von Dohnanyi, the conductor, born in Berlin in 1929, talks to John Drummond about his childhood memories of the city and his hopes for its future. 8:00 Rias Chamber Concert. Aulos Wind Quintet with Anthony Spiri (piano): Beethoven (Quintet in E flat Op 16), Poulenc (Sextet). 9:15 Opera News. James Naughtie with news of Berlin's opera houses and Hans Werner Henze introducing his new opera.

7:00 "Das Verratene Meer". The first performance of Hans Werner Henze's new opera direct from the Deutsche Oper, Berlin, where Markus Stenz conducts the Deutsche Oper Chorus and Orchestra (7:00-9:30 Hans Werner Henze talks to John Drummond about his relationship with Berlin). 9:35 Kritik. John Tusa and guests discuss the Henze opera and other major events and trends in Berlin's cultural life. 10:15 S-Bids Berlin. Charno Jobsky explores "alternative" Berlin from the bars which make it the gay capital of Europe to "lambada" socialism in the East.

10:50 Coco Schumann. The jazz musician who survived Auschwitz explains why he returned to Berlin. 11:00-2:00 am Berliner Jazznacht. Radio 3 joins RIAS Berlin for its regular weekly jazz programme featuring the RIAS Big Band, with recordings from the Berlin Jazz Festival.

BBC RADIO 4

7:00 am Today. 8:00 News. 8:05 Sport on 4. 8:30 Breakaway. 10:00 News; Loose Ends with Ned Sherrin and guests (s). 11:30 News; The Week in Westminster. 11:40 From Our Own Correspondent. 12:00 Money Box. 12:35 pm Just a Minute (s). 12:55 Weather. 1:00 News.

1:10 Any Questions? 2:00 News; Any Answers? 2:30 Thin Boy (s) Play by Colin Davis. 4:00 The Living World. 4:30 Science Now. 5:00 Conversation Piece. 5:25 Week Ending. 5:55 Shipping Forecast. 6:55 Weather. 6:00 News; Sports Round-up.

6:25 Citizens. Omnibus edition (s). 7:10 Ad Lib. 7:45 Saturday-Night Theatre (s). 9:15 Music in Mind (s). 9:50 Ten to Ten led by the Rt Rev Richard Harries (s). 9:55 Weather. 10:00 News. 10:15 All in a Sailor's Chest. 10:45 Ottoman Adventure. 11:00 Richard Baker Compares Notes with folk musicians Kathryn Tickell and Liam O'Flynn. (s). 11:30 And Now, in Colour (s). 12:00-12:05 am News.

SUNDAY

[redacted] indicates programme in black and white

BBC1

6:55 am Playdays. 9:15 Making Sense...of the Church. 9:30 This is the Day. 10:00 Bazaar. 10:25 Take Nobody's Word for It. 10:50 Business Matters.

11:15 Women Mean Business. 11:40 Step Up to Wordpower. 12:05 pm See Hear! 12:30 Country File. 1:00 News; On the Record. 2:00 EastEnders. 12:00 Film: "The Battle of the River Plate" with John Gregson, Anthony Quayle and Peter Finch. 4:00 Bugs Bunny.

5:10 All Our Children. 5:50 The Clothes Show. 6:25 News. 6:40 Praise Be! 7:15 All Creatures Great and Small.

8:05 The Black Adder. 8:35 Mastermind. 9:05 News. 9:30 That's Life. 10:00 Single Voices. 10:30 Everyman. 11:10 Women Mean Business. 11:35 Mahabharat

BBC2

12:00 Westminster Week. 1:00 pm Open Forum Magazine.

1:25 Grandstand, including 1:30 Hockey: Hounslow v Havant in the Poundstretcher National League Cup Final from Luton; 2:00 Motor Racing (second round of the Esso British Touring Car Championship from Donington); 3:10 Gymnastics from Athens; 4:00 Horse Trials (The Whitbread Championships from Badminton);

4:30 Golf (Third round of the Benson and Hedges International Open from St. Mellion, Cornwall); 5:00 Gymnastics. 6:00 Rugby Special.

6:35 The Money Programme. 7:15 The Natural World. 8:00 Hypothetical. 8:55 The Ten Commandments. 10:30 Film: "Assault on Precinct 13". 11:55-12:35 am Rapido.

LONDON

6:00 am TV-am Breakfast Programme. 9:25 Children's ITV: Disney Family Movie: "The Ghost of Cypress" (Part 1). 10:15 The Campbells. 10:45 Link.

11:00 Morning Worship. 12:00 Visions. 12:50 pm 07/061 For London. 12:40 Police Five. 12:55 Local news and weather. 1:00 ITN News, followed by national weather. 1:10 Eyewitness. 2:00 McCloud. 3:00 Film: "Fire in the Stone".

5:15 Cartoons. 5:30 Bullseye. 6:00 Brave New Wilderness. 6:30 ITN News, followed by national weather. 6:35 Local news and weather. 6:40 Appeal: The British Deaf Association.

6:45 Highway. 7:15 A Kind of Living. 7:45 Perfect Scoundrels. 8:45 Jewvons and Wooster. 9:45 ITN News, followed by national weather. 10:00 Local weather. 10:05 Not with a Bang. 10:35 Celebration. 11:30 Golf: PGA Tour 1990. 12:35 am Soap.

CHANNEL 4

6:00 am Transworld Sport. 7:00 Gardeners' Calendar. 7:30 Bright Sparks. 8:30 Early Bird. 8:35 David the Gnome. 9:00 Jayce and the Wheeled Warriors. 9:30 Movie Mania. 10:00 A Week in Politics. 11:00 Go For It! 11:30 Gophers! 12:00 The Waltons. 1:00 pm Land of the Giants.

1:00 Film: "Twentieth Century" with Lionel Barrymore and Carole Lombard. 3:40 Fiesta. 5:00 Testament. 5:55 The Nat King Cole Show. 6:55 News Summary and Weather. 6:30 Rugby Women. 8:30 The Wonder Years.

7:00 Fragile Earth: Presque Isle. 8:00 The Media Show. 8:00 The Management. 10:00 Film: "The Asphalt Jungle". 12:10 am Film: "Horse Thief" (with English subtitles)

S4C WALES

As Channel 4 except:-

8:00 am Painted Tales. 8:15 Hobo. 1:00 pm Swrw Mawr. 1:30 Hanner Call. 1:45 Animation on Four. 2:00 Adventures. 3:00 The Crystal Maze. 4:00 Film: "Greenwich Village". 6:00 Cockleboody.

6:40 Sen Sefiau. 7:00 O Bedwar Ban. 7:15 Rebecca. 7:22 Newyddion. 7:30 Bryn Terfel. 8:00 Hel Straeon. 9:00 Dechrau Canu, Dechrau Cannod. 9:30 Y Llyfrau. 9:40 Y Dyw Byw. 2:00 The Media Show. 10:50 Four Play International.

HTV Regions as London except at the following times:-

ANGLIA

12:00 pm Farming Diary. 2:00 Members Only. 2:30 Brave New Witness. 3:00 Whitbread Round the World Yacht Race. 5:30 The Village Show. 6:00 Bullseye. 11:35 Prisoner: Cell Block H.

CENTRAL

12:30 pm Gardening Time. 2:00 America's Tribute to Bob Hope. 3:00 The Spectacular World of Guinness Records. 3:30 Film: "Battleflag". 11:35 Prisoner: Cell Block H.

CHANNEL

12:30 pm Reflections. 12:35 Les Français Chez-Vous. 12:50 Cyril Fletcher's TV Garden. 2:00 Whitbread Round the World Yacht Race. 2:35 Highway to Heaven. 3:30 Drama Along the Mohawk. 11:35 The Human Factor. 12:05 am Mattock.

GRAMPIAN

10:45 am Here Comes the Double Decker. 11:15 Link. 11:30 Sunday Service. 12:35 pm Jack Thompson Down Under. 2:00 Up Country. 12:30 Film: "Splendor" with Miriam Hopkins and Joel McCrea.

4:00 Brave New Wilderness. 4:30 Bullseye. 5:00 Scotsport. 6:00 Grampian Stereodog Trivia. 11:35 Prisoner: Cell Block H. 12:30 am Quiz Night.

GRANADA

12:30 pm Granada This Week. 2:00 Richmond Hill. 2:55 Brave New Witness. 3:35 Film: "The Love Lottery" with David Niven, Peggy Cummins and Gordon Jackson.

5:05 Bullseye. 5:35 Coronation Street. 11:35 Prisoner: Cell Block H. 12:30 am Quiz Night.

HTV

12:30 pm People on Sunday. 2:30 West Country Farming, followed by Weather for Farmers. 2:30 Going Up. 3:00 Farewell to the Slope. 11:35 Prisoner: Cell Block H. 12:35 am The ITV Chart Show.

HTV Wales as HTV except:-
11:20-12:05 pm The Invisible Man. 2:30 Chernobyl - the Welsh Connection. 3:00-3:30 Off the Peg.

SCOTTISH

10:15 am Huckleberry Finn and his Friends. 10:45 Glen Michael's Cartoon Cavalcade. 11:15 Link. 11:30 Sunday Service. 12:30 pm An Feasch.

3:00 Film: "The Bridal Path". 3:05 Bullseye. 4:15 Ally Bain & Friends. 5:00 Scotsport. 6:00 Reid About Scotland. 11:35 Scottish Books. 12:05 am Men.

TSW

12:30 pm Farming News. 2:30 Off the Hook. 2:15 Whitbread Round the World Yacht Race. 2:45 The Life and Times of Grizzly Adams. 3:40 Film: "That Riviera Touch" with Morecambe and Wise.

5:30 Brave New Wilderness. 6:00 Bullseye. 11:35 Mac, followed by ITN news headlines. 12:30 am Quiz Night.

TVS

12:30 pm TVS News. 12:35 Agenda. 2:00 Whitbread Round the World Race. 2:30 Highway to Heaven. 3:00 Film: "Drums Along the Mohawk" with Henry Fonda and Claudette Colbert. 11:35 The Human Factor. 12:35 am Mattock.

TYNE TEES

12:05 pm The Back Page. 2:00 Charlie's Angels. 3:00 Film: "The Deep Six" with Alan Ladd. 5:05 Cartoon Time.

5:30 Coronation Street (omnibus edition). 11:35 Word of Mouth. 12:05 am An Invitation to Remember. 12:30 ITN News Headlines. 12:35 Quiz Night.

ULSTER

12:30 pm Gardening Time. 2:00 Money Talks. 2:30 Katts and Dog. 3:30 Brave New Wilderness. 3:35 Film: "The 300 Spartans" with Richard Egan and Ralph Richardson. 5:00 Bullseye. 5:35 Coronation Street. 11:35 Prisoner: Cell Block H. 12:30 am Quiz Night.

YORKSHIRE

12:35 pm Goals on Sunday. 3:35 Film: "Beau Brummell" with Cary Grant, Elizabeth Taylor and Peter Ustinov. 11:35 The Sweeney. 12:35 am ITN News headlines, followed by The Highwaymen.

RADIO

(S) Stereo on FM

BBC RADIO 2

7:00 am Roger Royle says 'Good Morning Sunday'. 9:00 Richard Baker with 'Melodies for You'. 11:00 Desmond Carrington with 'Radio 2 All-Time Greats'. 2:00 pm Benny Green. 3:00 Alan Dell with 'Sounds Easy'. 4:00 Tea at Claridge's (new series). 5:00 Sing Something Simple. 5:30 Charlie Chester.

7:00 The Max Jaffa Trio with Jean Grayston (contralto). 7:30 BBC Concert Orchestra Showcase. 8:00 Sunday Half-Hour. 9:00 Alan Keith with 'Your Hundred Best Tunes'. 10:05 The Radio 2 Arts Programme. 12:00 am Ronnie Hilton with 'Sounds of the 50s'. 1:00 am 'Nightride'.

Medium Wave as above, except:-2:00-7:00 pm Sunday Sport on 2, including Cricket, Golf, Rugby League, Bowling and Motorcycling.

BBC RADIO 3

7:00 am Handel: Sonata a 5; Recorder Sonata in B flat HWV 377; and Concerto Grosso in B minor Op 6 No 12. 7:30 News. 7:35 Berlin Background: Mendelssohn (Overture: A Midsummer Night's Dream), Carl Zeller (Im Mitternacht), CPE Bach (Harpsichord Concerto in A Wq 28), Busoni (Fantasia after Bach); discs. 8:30 News.

8:35-7:30 pm Berlin Weekend: Day Two of Radio 3's weekend of programmes broadcast from Berlin begins with: 8:35 News from Berlin: James Naughtie with a look at the political scene as East Berliners vote in their first free local elections.

9:30 Sacred Concert. 10:30 Kammermusik: Members of the Berlin Philharmonic Orchestra play the Sonata for oboe, flute, harp and string quartet Op 221 with the Wind Septet Op 166. 10:30 Music Weekly: 'East West 7' Michael Oliver looks at the future of Berlin's two musical communities. 11:15 Berlin Philharmonic Orchestra: cond Claudio Abbado, with Maurizio Pollini (piano) and the Ernst Senff Choir. The opening concert of last year's Berlin Festival: Brahms (Song of Destiny), Schumann (Piano Concerto), Brahms (Symphony No 3).

12:45 pm The Art Merger: The director of East Berlin's National Gallery and the curator of 20th-century art at the New National Gallery in West Berlin discuss the joint future of their institutions.

1:00 Voices Above the Din (satirical and political songs from Berlin). 1:30 Tuning In: Listening to Berlin. John Tusa explores the future of Berlin's radio broadcasting with executives from SFB and RIAS Berlin in the west and ODR Rundfunk in the east. 2:30 Music Behind the Wall (selection of new music from East Berlin).

4:00 Berlin Radio Symphony Orchestra — Past, 5:00 — And Present. 6:00 Berlin 2000. Joachim Neurocki of 'Die Zeit' considers the future of Berlin, Germany's one-time political and intellectual capital. 8:00 Round-Up Discussion: John Tusa and guests discuss the future of Berlin and assess the trends apparent from the day's local elections in East Germany.

7:30 A Concert for Michael Vyner: A homage from the London Sinfonietta to their long-standing artistic director who died last year, direct from the Royal Opera House, Covent Garden, conducted by David Atherton, Bernard Haitink, Simon Rattle, Oliver Knussen, Witold Lutoslawski and Esa Pekka Salonen, with Paul Crossley (piano), Nona Liddell (violin) and the London Sinfonietta Chorus.

10:30 Love War His Meaning. 11:35 Haydn and Beethoven Sonatas played by Ruth Geiger (piano): Haydn (Sonata in B minor H XVI 32), Beethoven (Sonata in E Op 109). 12:00-12:05 am News.

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7:00 am News. 7:10 Sunday Papers. 7:15 The Living World. 7:50 Sunday. 8:00 Appeal by Alan Titchmarsh on behalf of Gardening for Disabled Trust. 8:05 Weather. 8:00 News. 8:10 Sunday Papers.

9:15 Letter from America by Alistair Cooke. 9:30 Morning Service (s). 10:15 The Archers. 11:15 News Stand. 11:50 Pick of the Week (s). 12:15 pm Desert Island Discs: Prue Leith (s). 12:55 Weather.

1:00 The World This Weekend. 1:05 Shipping Forecast. 2:00 Gardeners' Question Time. 2:30 Play: "Mad, Bad" by Guy Meredith (s). 3:00 Literature in My Mistress - Medicine, My Wife (s).

3:30 Changing Churches. (s). 4:00 News; A Ferret from Fort Lauderdale. 4:45 Profile: campaigner Diana Lamplugh (s). 5:00 News; Down Your Way. 5:00 Japan Plus, Wales NS. 5:50 Shipping Forecast. 5:55 Weather.

6:00 News. 6:15 Feedback: Chris Dunkley airs listeners' comments on BBC programmes and policy. 6:30 The Root of the Matter. 7:00 Cal's Whiskers. 7:30 Bookshelf. 8:00 Punters.

8:40 Reading Aloud (s): 9:00 News; Treasure Islands. 9:15 The Natural History Programme. 9:30 Weather. 10:00 News. 10:15 The Countryside in Spring (s). 11:00 In Committee. 11:30 Seeds of Faith. 12:00-12:05 am News.